# DAILY REPORT

# People's Republic of China

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#### AMBASSADOR MEETS HAIG FOR FIRST FORMAL TALKS

OW210220 Beijing XINHUA in English 0210 GMT 21 Feb 81

[Text] Washington, 20 Feb (XINHUA)--U.S. Secretary of State Alexander Haig met Chinese Ambassador Chai Zemin at the State Department today. They exchanged views on the world situation and discussed steps to promote the relationship between China and the United States on the basis of the principles laid down in the communique on normalization of relations between the two countries. The talks, it is learned, proceeded in a very friendly atmosphere.

This was their first formal meeting since General Haig was confirmed as the secretary of state. Minister Lin Zhaonan of the Chinese Embassy was present during the talks.

#### NEWSWEEK ANALYSIS OF CONSERVATIVES CITED

HK200620 Beijing RENMIN RIBAO in Chinese 19 Feb 81 p 7

[Article by Wang Fei [3769 7378]: "Factions of American Conservatism"]

[Text] The inauguration of Ronald Reagan marks a new period of ascendancy for America's political conservatism. But American conservatism is hardly a monolithic movement. As they claim their share of power, their differences are beginning to emerge.

The 2 February issue of NEWSWEEK carried an article entitled "The Right: A House Divided?" It gave an account of the positions and strains of various conservative factions in the United States.

The article pointed out: The inauguration of Ronald Reagan marks a new period of ascendancy for America's political right. But American conservatism is hardly a monolithic movement. Along with the traditionally conservative Republican establishment comes the "old right," the "new right," the "religious right" and the group called the "neoconservatives." As they claim their share of power, their differences are beginning to emerge. There is likely to be factional infighting among them over priorities and bruising disputes with a Reagan administration that cannot possibly fulfill all the expectations that the right has built up over the years.

The article analyzed the various conservative factions and gave a guide to the major factions as follows:

- 1. The GOP establishment. Dominated by the corporate conservatives of Wall Street, establishment Republicans would like to see a balanced federal budget before a tax cut. Their priorities are: a better climate for big business; support for U.S. businesses abroad; reduced federal deficits and monitored detente. They are opposed to rules and regulations concerning environment and safety protection that make doing business more costly. The leading lights are Anne Armstrong, Bill Brock, Alexander Haig, Donald Regan and Caspar Weinberger. The key congressmen of this faction are Senator Howard Baker and Representative Barber Conable. Their action groups include the U.S. Chamber of Commerce and the National Association of Manufacturers. Their favorite economist is Alan Greenspan and their think tank is the American Enterprise Institute.
- 2. The old right. It has its roots more in the "main streets" of medium-sized and small cities than in Wall Street. The old right has long be an suspicious of the GOP establishment. It wants massive tax cuts to stimulate the economy and as a way of cutting government. Its priorities are: Revival of laissez-faire economics; stronger defense and more rights for states. Among the illustrious figures of this group is Barry Goldwater. Its key congressmen are Senators Strom Thurmond and John Tower.

- 3. The new right. This breed of conservatives has gone beyond its forerunners both in priorities and tactics. Where the GOP establishment urges military parity with the Soviets, the new right wants clear-cut strategic superiority. Where the old right preaches halting the growth of government, the new right demands an absolute reduction in its size--starting with a massive tax cut. The new right activists are opposed to the nuclear treaties, the Panama Canal Treaty, federal taxes and the trilateral commission. The leading lights are: Terry Dolan, George Gilder, Howard Phillips, Richard Viguerie and Paul Weyrich. Their key congressmen include Senator Jesse Helms and Representative Jack Kemp.
- 4. The religious right. Largely a creation of new right activists such as Paul Weyrich and media preachers like Jerry Filwell and James Robison, this growing legion of born-again Christians has focused largely on social and moral issues including abortion and prayers in schools. It is mortally against homosexuality, sex on TV, the equal rights amendment and the U.S. Department of Education. Its key congressmen include Senator Jeremiah Denton and Representative Albert Lee Smith. Its action groups are the "Moral Majority" and the "Eagle Forum." Its publications include the MORAL MAJORITY REPORT and its think tank is the Chalcedon Institute.
- 5. The neoconservatives. Small in number, these refugees from Democratic liberalism, socialism and even youthful flirtations with communism constitute an intellectual trend. Their priorities are: global military strategy; tax and spending cuts and strong support for Israel. They are opposed to Soviet expansion and the "affirmative action" program (the hiring of a fixed ratio of black workers). The leading lights are Midge Decter, Jeane Kirkpatrick, Irving Kristol, Richard Perle, Norman Podhoretz and Walt Rostow. Their key congressmen include Senators Daniel Moynihan and Henry Jackson. Their favorite economist is David Stockman. Their publications include the COMMENTARY, THE PUBLIC PUBLIC INTEREST and the editorial page of WALL STREET JOURNAL. Their action group is the "Committee on the Present Danger."

#### U.S. ADMIRAL ON USSR THREAT, COOPERATION WITH PRC

OW210740 Beijing XINHUA in English 0723 GMT 21 Feb 81

[Text] Washington, 20 Feb (XINHUA)—Admiral Robert Long, commander—in—chief of U.S. forces in the Pacific, declared today that the main security problems for the United States are the threats from the Soviet Union or Soviet inspired troubles around the world. The Soviet Union is the only major the to the United States and to the world as well, he stressed.

Speaking before the House Armed Services Committee of the U.S. Congress on the status of U.S. forces in the Pacific, Long said, "Underlying our principal security problems in the Pacific Command is the continued expansion throughout the area of Soviet military power and assertiveness either directly or indirectly through the use of surrogates." While much of Soviet military strength remains oriented toward Europe, he said, the Far East appears to be receiving increased Soviet emphasis. In addition to the European and Pacific areas of operation, he pointed out that a third has been added—the Indian and Persian Gulf. An estimated 26 divisions of Soviet ground forces are located in the vicinity of Iran's and Turkey's borders and some 85,000 Soviet troops are currently occupying Afghanistan, he said.

The admiral believed that the probability of nuclear conflict between the U.S. and the Soviet Union remains low, but he said the U.S. must modernize its nuclear forces to reduce susceptibility to nuclear blackmail or pressure in other confrontations. "In my opinion," he noted, "the prospects for global conventional war with the USSR may be increasing." He said the danger of regional crises in the Pacific will remain high, particularly in southwest and Southeast Asia. The Soviets manoeuvre for control over Persian Gulf oil and for access to warm water ports while Soviet inspired Vietnamese invasion in Kampuchea is threatening to spillover into Thailand. "The facilities at Cam Ranh Bay have, for all practical purposes, become a Soviet warm water forward base to support distant operations in the Indian Ocean and southwest Asia," he said.

He called for efforts to strengthen the strategic and general purpose forces and enhance combat readiness and sustainability to meet the Soviet challenge.

He stressed that the U.S. cannot cope with the critical situation alone and "we need help from our allies and friends." He said Japan's support has been extremely valuble. "The five ASEAN nations have been particularly effective in pulling together against the Vietnamese aggression in Kampuchea," he said, and it is essential that "we respond quickly to Thai requests for military assistance." "In my opinion," he said, "Pakistan's strategic location requires us to improve our security relationship."

Turning to the People's Republic of China, Long said, "We have several parallel interests with China, particularly a shared concern over Soviet expansionist activities. PRC forces deployed along the Sino-Soviet border tie down a quarter of the Soviet Union's ground and air forces. This continues to be a very important factor in the global power equation. I am supportive of taking careful advantage of our parallel interests with the PRC regionally and globally."

The admiral concluded his speech by calling for developing a comprehensive political economic military strategy.

#### VICE CHAIRMAN LIAO CHENGZHI MEETS U.S. GROUP

OW211232 Beijing XINHUA in English 1217 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA)--Liao Chengzhi, vice-chairman of the Standing Committee of the Chinese National People's Congress, met today with a goodwill group from the United States, which includes political and business personalities, here to mark last month's opening of air services between China and the U.S. by CAAC and Pan American. The 50-member group, led by Ambassador Christopher H. Phillips, chairman of the National Council for U.S.-China Trade, arrived in Beijing yesterday evening.

Liao Chengzhi welcomed the group and expressed the hope that friendship and cooperation between the two countries would continue to develop. Mr Phillips said he believed that the lasting friendship between the U.S. and China would continue to grow. Also present at today's meeting were Shen Tu, director-general of CAAC, and J. Stapleton Roy, charge d'affaires ad interim of the U.S. Embassy in Beijing.

#### Reception in Beijing

OW211624 Beijing XINHUA in English 1615 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA)--A reception was given here tonight in honour of a group of American visitors who have come to celebrate last month's opening of air services between China and U.S. The 50-member group, led by Ambassador Christopher H. Phillips, chairman of the National Council for U.S.-China Trade, arrived here yesterday.

Those present at tonight's party included Zhang Wenjin, vice-minister of foreign affairs; Lin Xiude, deputy director of the Overseas Chinese Affairs Office under the State Council; and Mr J. Stapleton Roy, interim charge d'affaires of the U.S. Embassy in Beijing. Shen Tu, director-general of the General Administration of Civil Aviation of China (CAAC), who hosted the reception, and Mrs Phillips proposed toasts to consolidation and further development of the friendship between the Chinese and American peoples. During the reception Chinese artists gave performances of singing and dancing.

During their stay in China, the American friends will tour Beijing and Shanghai. On February 25 a Chinese friendship delegation led by Shen Tu is scheduled to fly to the United States for a reciprocal visit aboard the same airplane together with the American visitors.

Regular air services between China and the U.S. began on January 7 when the inaugural flight was made by a CAAC Boeing 747 SP.

#### DENG XIAOPING MEETS U.S. PHYSICS PROFESSOR

OW210808 Beijing XINHUA in English 0757 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA) -- Deng Xiaoping, vice-chairman of the Central Committee of the Communist Party of China, met here today with Professor C.K. Jen, advisor of the Institute of Applied Physics of Johns Hopkins University, U.S.A., and honorary professor of Qinghua University in Beijing, and Mrs Jen. Professor Jen, a specialist in microward physics, is making his sixth tour in China. Since last September he had given lectures on recent research in physics at Qinghua University, and other universities and institutes in Hefei and Chengdu and Wuhan.

Jiang Nanxiang, minister of education, was among those present at today's meeting. Later, Professor and Mrs Jen attended a luncheon given in their honor by Vice-Chairman Deng Xiaoping. They will shortly leave Beijing for the United States.

#### GONGREN RIBAO: AMERICAN WORKERS DISCUSS THEIR LIVES

HK200224 Beijing GONGREN RIBAO in Chinese 12 Feb 81 p 4

[Newsletter by Cheng Xi [4453 2522] and Xie Suocai [6200 6956 2088]: "American Workers Talk About Life"]

[Text] It was midwinter but the eighth floor conference room of the All-China Federation of Trade Unions was as warm as springtime. Workers of China and the United States were holding cordial talks. The American workers' delegation, which was on a visit to China, related to the Chinese friends the present living conditions of American workers.

#### Life Is Becoming Harder and Harder

The United States is a developed, industrialized, capitalist country. Generally speaking, workers' income is relatively high. For example, the weekly salary of metal workers (steel workers) is \$380. Miners get around \$390 every week. However, in light industry or companies where a great number of minority workers are employed, the salary scale is much lower. A textile worker earns \$195 a week while a garment worker earns \$159. In service enterprises, wages are even lower and women earn less than men. If a man earns a dollar, a woman worker earns only 59 cents. Black and other minority workers earn even less.

On the surface, workers' wages seem to be relatively high. But in fact, the workers' lives are becoming harder and harder due to inflation.

At present, the inflation rate in the United States has reached 13 percent. One of the trends of the price increases is that prices of basic daily necessities have increased remarkably. In the past few years, the price of oil has increased by 300 percent, meat prices by 200 percent, while rent increases have been even worse.

Another reason why workers' lives are difficult is the heavy tax burden--including income tax, federal tax, state tax, municipal tax--along with Social Security deductions, unemployment fund deductions, car insurance premiums, property insurance premiums and so on and so forth. All these taxes constitute 30 to 40 percent of every worker's income.

Delegation member (Welch) said that she has a family of two. Her husband has been unemployed and so their livelihood depends on her annual income of \$12,000. The monthly rent for their one-room apartment is \$250. She bought a 3 or 4-year-old used Japanese car on a 4-year installment loan. She pays 125 every month for the car, spends \$100 for gasoline-she only uses the car to go back and forth to work--and pays \$35 for car insurance. The electricity bill takes up \$50 and food \$150 to \$200. She also pays trade union dues, medical care fees and so forth. There is almost nothing left after these payments. She cannot even afford to drink beer. In the United States, not only are daily necessities expensive, medical fees are even more expensive. It costs \$40 to check into a hospital and if one stays in the hospital, one pays \$150 each day for a bed, excluding the cost of medicines. Thus, it is dreadful to think what it is like when an ordinary worker gets sick.

#### Serious Problem of Unemployment

With the onslaught of the economic crisis, the first problem American workers have to face is unemployment. The unemployment rate has jumped from 4.5 percent in 1965 to 7.1 percent at present. The unemployment rate among whites is 6.8 percent and among blacks 13.6 percent: The unemployment rate among young workers is 20 percent and among young minority workers it constantly remains at about 40 percent. In order to improve their competitiveness, the capitalists resort to various methods to increase productivity, reduce the value of labor power and cut down on staff. For example, the steel industry has dismissed 200,000 workers from 1947 to the present, while during the same period, production output increased by more than 100 percent.

Generally speaking, after a worker loses his job, he gets unemployment compensation. The amount of compensation ranges from \$35 to \$125 per week. The so-called unemployment compensation is not a favor from the bosses of companies but is actually money that the company has been deducting from the worker's wages. In reality, the worker gets less compensation than the amount he paid into the unemployment fund while he was still employed. Because the number of unemployed is constantly increasing, the worker is getting less and less unemployment compensation. At present, the unemployed usually gets only 6 months of compensation. After 6 months, if he still cannot find a job, he gets welfare benefits which enable him to meet his very basic needs. However, not everyone is eligible to receive welfare benefits. One must be a divorced mother or one's spouse must also be unemployed and one must have two children. In the United States, a so-called rich country, there are actually many people suffering from hunger. According to estimates, among the 220 million population, around 25 million people are living below the poverty line.

#### SHAPIRO BOOK ON CHINA PUBLISHED IN U.S.

OW210849 Beijing XINHUA in English 0719 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA)--An American's views of China in its various stages of development over the past three decades is told by Sidney Shapiro in his new book "An American in China." The book first published in China has now been released as a paper-back by New American Library in the United States of America.

Sidney Shapiro told XINHUA in an interview that his book "based on direct observation and participation deals with the vital 30 year period from the formation of the new government in 1949 to the establishment of diplomatic relations with the U.S.A. in 1979." Shapiro was born in New Nork City, came to China in 1947 and became a citizen of the People's Republic of China in 1963.

It also contains an intriguing account of Shapiro's personal story. His wife, Fengzi, now a prominent figure in the Chinese theatrical world, was one of the first Chinese he met after he landed in Shanghai in 1947.

Shapiro is one of China's leading literary translators. His English version of the epic classic "Outlaws of the Marsh," about a 12th-century peasant uprising, will soon be released by the Foreign Languages Press, Beijing. The classic was titled "All Men Are Brothers" and "Water Margin" in earlier translations.

#### RENMIN RIBAO ON U.S. WRITER AGNES SMEDLEY

OW230815 Beijing XINHUA in English 0804 GMT 23 Feb 81

[Text] Beijing, 23 Feb (XINHUA)--Today, the PEOPLE'S DAILY carries a feature on U.S. writer Agnes Smedley in honor of the 89th anniversary of her birth. The newspaper prints a short editor's note and four quotations from Smedley's works.

The editor's note calls Agnes Smedley a great daughter of the American people and a most faithful friend of the Chinese people. It says, "Recalling the words she wrote in times of hardship and victory during revolutionary war years will touch our hearts and spur us on to greater efforts in modernization."

A photo of a smiling Agnes Smedley in the uniform of the communist-led Eighth Route Army is printed along with four quotations. One from her letter to Commander-in-Chief Zhu De in October 1949 reads: "I have lived to see my great hopes realized, and few people can say that. That is enough for one lifetime. What I failed to do others will accomplish.... If I ever reach China again, I shall kiss the earth."

On the same page, an article written by Zhang Yifan, "Following in Smedley's Footsteps," tells how Jan and Steve MacKinnon, a U.S. couple, came to China to do research on Smedley's life and work here. Their biography of Agnes Smedley is expected to be completed this year.

#### VIETNAM CONTINUES TO VILIFY PRC PEACE EFFORTS

OW211505 Beijing in Mandarin to Southeast Asia 0900 GMT 21 Feb 81

[Radio talk by station commentator (Ya Ming): "China's Peace Efforts in Southeast Asia Brook No Vilification"]

[Text] It has come to people's notice that whenever the international community denounces Vietnam for carrying out aggression and expansion in Southeast Asia, the Vietnamese authorities invariably allege that they are doing so to cope with the threat from China. This excuse is so clumsy that whenever the Vietnamese authorities glibly talk about the threat from China, people associate such talk with their attempt to do some evil again in Southeast Asia.

As an initiator of the five principles of peaceful coexistence, China has always advocated mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit and peaceful coexistence among all countries. This has long been known to all. The Chinese Government has also solemnly declared on many occasions that China will not seek hegemony in any part of the world and will never practice hegemony or become a superpower. China has always resolutely opposed and struggled against the superpowers hegemonistic deeds. Taking this stand, the Chinese Government has always striven to maintain friendly and goodneighborly relations with neighboring countries and has sincerely sought peace and tranquillity in Southeast Asia.

China, together with the Southeast Asian countries and all other peace-loving countries, has expressed resolute opposition to the hegemonistic expansion being carried out in Southeast Asia by the Vietnamese authorities with Soviet support. Upholding the UN General Assembly's resolution on the Kampuchean question, China strongly demands that the Vietnamese aggressor army immediately withdraw from Kampuchea. China and all other peace-loving countries hold that the Vietnamese armed invasion and occupation of Kampuchea is the root cause of turmoil in Southeast Asia and the beginning of Vietnam's serving the Soviet southward advance strategy. If we tacitly accepted the Vietnamese aggression, the Vietnamese armed forces would soon be directed against other Southeast Asian countries—first of all, the ASEAN member countries. In that case, Southeast Asia's security would be subjected to a greater menace. It should be noted that Vietnam has taken advantage of its occupation of Kampuchean territory to invade Thailand severa' times.

The Chinese Government has made it known that after the withdrawal of Vietnamese troops from Kampuchea, it will be willing to participate in international guarantees together with the countries concerned to ensure that no other country shall occupy Kampuchean territory or use its territory to infringe on the independence and sovereignty of other countries in the region and that no country shall interfere in Kampuchea's internal affairs in any way. This further shows China's good faith in defending Kampuchea's independence as well as peace in Asia and other parts of the world.

However, the Vietnamese authorities have described China's peace stand as a manifestation of China's threat. This is sheer vilification as well as self-exposure by the Vietnamese authorities.

In throwing mud at China, the Vietnamese authorities have flagrantly started the rumor that China has deliberately provoked clashes along the Sino-Vietnamese border in an attempt to annex Vietnam. As the world knows, China, under extremely difficult conditions, made great self-sacrifices in providing a large amount of assistance to the Vietnamese people during their struggle against foreign aggression. The Chinese and Vietnamese people are friends of each other. As a peace-loving country, China has never wanted a single inch of territory from another country.

The entire Chinese nation is now devoting its energies to modernization. Adhering to the principle of independence and self-reliance, China is determined to develop its economy and to improve its people's living standards through a long period of effort. Since China wants a peaceful international environment, there is no such thing as China attempting to annex Vietnam. The Vietnamese authorities however have become swollenheaded since the end of the war against U.S. agression. Feeling self-assured by having the backing of the superpower, the Soviet Union, they have time and again violated Chinese territory and created incidents. Furthermore, they have become increasingly unreasonable.

Driven beyond forbearance, Chinese frontier troops were forced to launch a limited counterattack in self-defense against Vietnam After fulfilling the counterattack's mission, all Chinese troops immediately pulled back into China. This action shows the world China's determination to check aggression and defend peace.

Despite the fact that Vietnam is impervious to reason and is willfully hostile to China, China still adheres to its consistent stand and advocates settling the conflict between the two countries through peace talks. China has also set forth reasonable proposals for a peaceful settlement of the conflict between China and Vietnam. One of the proposals calls for both sides not to seek hegemony in Indochina, Southeast Asia or any other region and calls for either side to oppose any other country or any group of countries making efforts to seek such hegemony. However, the Vietnamese authorities, out of their ulterior motives, have thus far evaded responding to this proposal from China.

China's stand in seeking peace in Southeast Asia is open and aboveboard; it can never be distorted by Vietnam by fabricating what it calls "the threat from China." Vietnam, with Soviet support, has irrefutably been carrying out aggression and expansion, which cannot be covered up by its clamor about "China's threat."

#### CONTINUED SRV CABINET RESHUFFLE NOTED 20 FEB

OW221556 Beijing XINHUA in English 1551 GMT 22 Feb 81

[Text] Beijing, 22 Feb (XINHUA) -- The Vietnamese Government reshuffled its Cabinet on February 20 for the second time within a month.

According to the Vietnamese paper NHAN DAN yesterday, a decree, signed by Acting President of the Socialist Republic of Vietnam Nguyen Huu Tho, proclaims the transfer of the current chairman of the State Commission for Prices to the post of director general of the State Bank and the appointment of a new chairman of the State Commission for Prices and a new minister of labor.

On January 24, the Vietnamese Government carried out a reshuffle involving nine ministries (including one state commission) and the sacking of five ministers. The new reshuffle has been the third one since February 7 last year.

Referring to the background of the new reshuffle, an AFP report on February 20 said, "The continuing war in Kampuchea, where Vietnam stations 200,000 troops, is seriously straining the already shaky Vietnamese economy." "Vietnam might soon face its worst food crisis since the end of the war in 1975," it added.

#### HOANG VAN HOAN TALK ON SRV TRAITOR LE DUAN

OW201617 Beijing in Vietnamese to Vietnam 1130 GMT 18, 19 Feb 81

["Report" on 10 December 1980 talk in Kunming, Yunnan Province, during a tour of southern China, by Comrade Hoang Van Hoan, former vice chairman of SRV National Assembly Standing Committee, before some 300 representatives of Overseas Vietnamese and Vietnamese refugees, entitled: "Struggle To Revive and Promote Sino-Vietnamese Friendship"--read by announcer]

#### Part I

[Text] On the actual situation in Vietnam over the past 5 years or more, Comrade Hoang Van Hoan said: 5 years and 7 months have elapsed since the total liberation of Vietnam on 30 April 1975. Things in Vietnam would have been quite different if we had devoted manpower and material resources to peaceful national reconstruction—including manpower contributed by discharged soldiers returning from the battlefront and engaging in productive labor. With assistance from China and other countries and thanks to their own efforts, the industrious Vietnamese people could have realized President Ho Chi Minh's aspiration embodied in his sacred testament: rebuilding our country and making it grandiose, prosperous and more beautiful.

Nevertheless, realities in Vietnam are contrary to President Ho Chi Minh's expectations. Following Vietnam's total liberation, Le Duan and company, dumping President Ho's correct policy of good neighborliness, have hired themselves out to a foreign power. They sent 50,000 Vietnamese troops to Laos to control that country and mobilized more than 200,000 troops to conquer Kampuchea. Meanwhile, carrying out a hostile policy toward China, they have repeatedly ordered their troops to wage armed provocations against China, thus creating tension all along the Sino-Vietnamese border. They concentrate a large number of troops and make war preparations against China.

As a result, the Vietnamese people still do not live in peace. Daily, thousands and even tens of thousands of Vietnamese troops are sent to the battlefield, where many of them shed blood or even lose their lives. Not content with their million-man army, Le Duan and company are still feverishly carrying out pressganging. A prolonged shor age in the work force owing to large numbers of youths being forced to serve in the army and the war burden have caused countless sufferings for the Vietnamese people.

The so-called 5-year plan, which the clique started in 1976, has gone bankrupt, with no set targets fulfilled. Under the Le Duan clique's rule, Vietnam's agriculture, industry, and trade are in tatters. Vietnam's yearly grain shortages run from 2 to 3 million tons. Its industries are operating sluggishly. Regarding trade, most of its stores have only specimens on display, but no goods for sale. Vietnam's national economy is in a shambles. The Vietnamese people are being plunged into unheard-of suffering, seriously lacking life's necessities. Theft, swindle, prostitution, murder, robbery, corruption, bribery, fraudulent traing, and so forth are commonplace.

To firmly control the people's thinking and actions, the Le Duan clique instituted a widespread, well-organized system of public security and secret services. The Vietnamese people live an uneasy life with no democratic liberties. Party and state organs in different sectors and echelons, including embassies and consulates in foreign countries, are controlled by representatives of the public security service. The people live in fear. Dissidents in political, state, nationality, and social matters dare not raise their voices. Vietnam, it may be said, is the only country where freedom has been drastically curbed.

Vietnam is a nation of many nationalities. Carrying out a big-nationality policy, the Le Duan clique has undermined solidarity among the nationalities. Following Vietnam's reunification, the clique abolished the nationality autonomy system—which was clearly specified in Vietnam's constitution—denying autonomous rule to ethnic minorities in the Viet Bac and Tay Bac autonomous zones.

Meanwhile, stepping up the implementation of its policy of screening the people living in Sino-Vietnamese border areas, the clique has expelled tens of thousands of nationality people from places where their ancestors and they had lived for generations. It seeks to arouse national hatred, and scorns and oppresses ethnic minority people, treating them even more harshly than under French domination. They terrorized Hoa people even more frenziedly. Carrying out a reactionary policy of racial discrimination, the clique ostracized Hoa people and expelled more than 250,000 Hou people to China. In addition, countless Hoa people were forced to leave Vietnam by sea at their own risk after the clique had exorted gold and dollars from them. Even Vietnamese lowlanders, finding their lives unbearable under the clique's rule, have fled Vietnam en masse. The Le Duan clique's aggressive and expansionist activities are also the cause of Lao and Kampuchean refugees. The Indochinese refugees now number more than a million. In view of this situation, the United Nations had to convene special conferences to discuss and seek a solution to the Indochinese refugee problem. The plight of Indochinese refugees reflects the pitiful living conditions of the three Indochinese peoples. The Le Duan clique is a group of masked merciless killers.

Comrade Hoang Van Hoan said deploringly: That situation clearly proves that under the Le Duan clique's raie, the revolutionary gains the Vietnamese people won in their 30-odd-years of arduous, sacrifice-studded struggle were done away with by the clique. No longer an independent country, Vietnam is sliding along a path toward slavery. It may even be said that part of Vietnam has been lost to a foreign power; with the Le Duan clique remaining in power, Vietnam will certainly become a vertiable collection y. The clique now has to rely on foreign countries for different things--from food to annor commodity items--and only by relying on foreign countries can it survive. Therefore, it must particularly comply with a foreign power's orders, serve as its lackey, and sell Vietnam's sovereignty cheaply in exchange for so-called foreign aid. Vietnamese naval and air force bases in Haiphong, Saigon, Cam Ranh Bay and so forth are being used and controlled by a foreign power. Vietnam has been turned into a foreign power's overseas military base from which it threatens the security of Southeast Asian countries and other countries in the Pacific Ocean.

Why is it that Vietnam is being driven to such a pitiful plight after 5 years of total independence? It is because the Le Duan clique has become dehumanized, a traitorous clique that serves as a puppet for a foreign power, acting against its fatherland's interests. Ignoring the Vietnamese people's will and aspirations, the clique is pursuing a hawkish policy of aggression, and anti-China policy, considering the Chinese people as Vietnam's enemies. Only after clearly understanding the Le Duan clique's true nature and the root cause of the Vietnam crisis can the Vietnamese people reverse the current situation with a correct policy and appropriate actions.

Comrade Hoang Van Hoan then exposed the Le Duan clique's anti-China schemes. He said: Le Duan has invariably and fantically opposed China, using different wicked schemes and tactics at different times.

In 1957, when he was transferred from southern to northern Vietnam, Le Duan began ganging up with foreign anti-China forces and subscribed completely to their anti-China fallacies. However, he still did not dare to oppose China openly; therefore, he had to resort to a two-faced policy. Le Duan used to pay lipservice to China on public occasions, but among his cohorts he actually went out of his way to vilify China.

After 1965 when President Ho's health deteriorated noticeably, Le Duan stepped up his maneuvers to oppose China and usurp power. He used to tell Vietnamese cadres that because President Ho's health was deteriorating seriously, they should report to him only favorable facts about Vietnam's situation and should avoid making him worry about bad news, which was not conducive to his health. With that crafty trick, Le Duan, on the one hand, sought to withhold facts from President Ho, thus preventing him from having a clear view of the situation and giving directives accordingly; on the other hand, he did a lot of things behind President Ho's back to harm the nation and the people, seeking to further develop and strengthen his faction and gradually gain control of key departments of the party and government through his own men, whom he had already planted in those departments.

After President Ho died in September 1969, the Le Duan clique completely usurped party and state power. From then on, it has quickened the pace of hiring itself out to a foreign power. Catering to its foreign overlord's need to oppose China, it systematically fanned up anti-China sentiments among the people and repeatedly created incidents along the Sino-Vietnamese border, thus further worsening tension in the area. It repeatedly distorted facts about Sino-Vietnamese relations and slandered China at party conferences.

Before the country's reunification, the Le Duan clique, because of the need for more Chinese aid, continued to use two-faced tactics and pay lipservice to friendship with China while intensifying its anti-China drive. Then, after the reunification, it thought it no longer needed Chinese assistance and turned to opposing China openly. Besides stepping up propaganda against China and creating tension along the Sino-Vietnamese border, it waged a virulent anti-Hoa people campaign. Using the "socialist transformation of industry and trade" label and other tricks, it waged an onslaught against and terrorized the 1 million or more Hoa people in Vietnam, 90 percent of whom consisted of laboring people.

By July or August 1978, the Le Duan clique even had an anti-China resolution passed in the name of the party Central Committee, viewing China as Vietnam's immediate enemy, enemy number one, and demanded that a critical review of Mao Zedong Thought be conducted. The clique also dispatched high-ranking government officials to Southeast Asian countries as its envoys in an attempt to rally support for its anti-China policy. It convened tens of thousands of meetings from the central to the local level to help people thoroughly understand the anti-China resolution, falsely accused China of attempting to conquer Vietnam, Laos and Kampuchea, and negated China's sincere aid to Vietnam.

It has now become clear that the Le Duan clique has patterned its anti-China drive after Wang Ming's works. After causing serious damage to the Chinese revolution, Wang Ming fled to the Soviet Union, where he wrote many articles opposing China and Mao Zedong Thought—the very thought that helped bring about the Chinese revolution's victory. Le Duan himself brought back Wang Ming's works to Vietnam. The Soviets then promptly sent to Hanoi millions of copies of the Vietnamese version of Wang Ming's works, and the Le Duan clique quickly decreed that Wang Ming's works were study materials for all cadres.

Facts emerging over the past few years prove that in opposing China, Le Duan actually opposes the Vietnamese revolution and the Vietnamese people. In doing so, he is leading the Vietnamese people down the path to a terrible disaster. The damage Le Duan has caused to Sino-Vietnamese friendship is extremely serious and will continue to affect the Vietnamese people and their offspring for generations. Therefore, opposing the Le Duan clique's anti-China policy and preserving Sino-Vietnamese friendship are not solely matters of sympathy toward the Chinese people, but are also for the sake of Vietnam's future. Struggling to restore and promote Sino-Vietnamese friendship is an extremely important political task that the Vietnamese people must endeavor to fulfill.

#### Part II

Regarding the history of the close relationship between Vietnam and China, Comrade Hoang Van Hoan made a profound analysis of the problem: Vietnam should not oppose China.

He pointed out: The peoples of Vietnam and China have very close relations in economics, politics and culture, and in language, customs, habits and kinship. In the history of Sino-Vietnamese relations, the peoples of both countries have lived in friendship for several thousands years. Although it is true that a few Chinese feudalist emperors invaded Vietnam, we should know that they were the common enemies of both the Vietnamese and Chinese people. Moreover, after each war, in order to protect Vietnam's independence, the Vietnamese rulers used to immediately apply all necessary measures to maintain relations of neighborliness and harmony between the two countries. This is a historical fact that everyone knows. However, the Le Duan clique has stupidly distorted history and stirred up national hatred against China. Since the founding of the Chinese Communist Party, Vietnam and China established a "comradely and fraternal" relationship. Those wonderful historical chapters should have been written in Vietnam's history books with golden ink, but they were wantonly smeared by the Le Duan clique.

After looking back at China's great aid given to Vietnam during the days of Comrade Ho Chi Minh's revolutionary activities in Guangzhou and during the period extending from China's 1925 great revolution to the resistance against the French and Americans, Comrade Hoang Van Hoan said: It is necessary to stress that China gave gratuitous, unconditional and selfless aid to Vietnam. President Ho repeatedly mentioned this. The Le Duan clique has therefore proved to be entirely ungrateful and unfaithful.

Comrade Hoang Van Hoan also talked about the problems of the Vietnamese people's concern. He said: In 1978 China informed Vietnam of the closing of its consulates in Kunming, Nanning and Guangzhou, cut its aid to Vietnam and brought home all its experts. In early 1979 China launched a self-defensive counterattack in the border areas. These inevitable consequences resulted from the Le Duan clique's frenzied opposition to China, its refusal to allow China to establish a consulate in Saigon, its expulsion of Hoa people en masse, its humiliation of Chinese experts and its repeated armed provocations along the Sino-Vietnamese border.

Comrade Hoang Van Hoan vehemently condemned the Le Duan clique's bloody massacre of Vietnamese compatriots in the border area. He pointed out: In 1979, after the Chinese troops' withdrawal from Vietnam, the Le Duan clique wantonly slaughtered the border inhabitants of Vietnam, whose friendship with China it regarded as a crime. According to an initial survey, more than 200 people were killed in Hoang Lien Son Province, and more than 400 others in Lang Son and Cao Bang Provinces. Among those killed were whole families and even entire villages. Local cadres had to address a message requesting Hanoi to send responsible cadres to the border areas to witness this crime. In Lang Son Province, the Le Duan clique even killed all members of a revolutionary family who gave accommodations to President Ho Chi Minh during the early revolutionary period. How beartbroken and indignant we are! Worse still was the fact that the clique heaped up the bodies of women and children it killed and said that they were killed by Chinese armed forces. The clique brought foreign reporters to the scene to take pictures and shoot films, thus creating a false picture to deceive the Vietnamese people and world public opinion. But this fact proved even more clearly that the Le Duan clique is brutal, malicious and harmful to the country and nation, and serves as a henchman of foreigners in opposing China.

Comrade Hoang Van Hoan stressed: The Le Duan clique's opposition to China is not an ordinary mistake but a fundamental mistake, a strategic mistake, a mistake of the era and a historical mistake. The clique does not hit those who must be hit and regards friends as foes. The consequences are extremely serious and can only bring inestimable disaster to Vietnam. The clique has time and again boastfully declared that it will defeat China. Let us calmly ask: Can Le Duan and his camp defeat China with its more than 900 million people and its extremely abundant natural resources? And how long can they fight?

They should be somewhat reasonable in their statements and should not be so stupid. Besides, one wonders why they have provoked hostilities against others while they themselves are not offended. As a neighboring country, Vietnam can neither defeat China nor solve any problem by provoking hostilities. Therefore, it is rather rational and sensible to seek by all means to coexist peacefully and assist one another. However, Le Duan and his camp have not acted that way but have sought to create a dispute and have mobilized millions of people to prepare a fight against China. As a result, they have caused only inestimable disaster to the Vietnamese people—disaster that will also affect future generations. In sum, opposition to China will bring only disaster and not benefit to the Vietnamese people.

After driving out the French and U.S. imperialists, the Vietnamese people now have a more malicious new boss invited by the Le Duan clique. Since he appears as a friend, he is more dangerous, and his true nature is more difficult to recognize. Moreover, while Le Duan and his camp serve as henchmen and betray the Vietnamese people and revolution, representatives of the foreign country are present in the Vietnamese administrative organs at all levels. This will be a lasting peril.

During the anti-U.S. resistance, the entire world regarded Vietnam as a heroic country and the Vietnamese people as a heroic nation. But since the Le Duan clique has implemented an aggressive, bellicose policy and served as henchman of a foreign country, Vietnam has been condemned and regarded by the world's people as an aggressor. The UN General Assembly has approved two resolutions by an overwhelming majority vote, demanding the Vietnamese troops' withdrawal from Kampuchea. This proves that the Le Duan clique has impaired Vietnam's prestige and driven this country to an isolated position never before seen in the world.

FInally, Comrade Hoang Van Hoan pointed out the tasks and what the Overseas Vietnamese nationals must be aware of in the new stage of Vietnam's revolution. He said: Before the victory of Vietnam's revolution, our Overseas Vietnamese nationals' assistance to the resistance against the French and Americans was a revolutionary act. But now Le Duan and his camp, who have seized all ruling power in Vietnam, have become dehumanized counterrevolutionaries and traitors to the country and people. If we continue to support and assist them, this is not a revolutionary act. We should be aware of that. When President Ho Chi Minh was still alive and before the Le Duan clique seized power, our Overseas Vietnamese nationals' assistance to Vietnam's consulate was right. But since the clique has betrayed President Ho's correct line, the consulate has been changed from an organ protecting our Overseas Vietnamese nationals' legitimate interests into an organ of oppression and exploitation. Through their own experience and by the actions by the Vietnamese consulate here, our compatriots should be aware of the reactionary nature of Le Puan and his camp. Thus, I mean that our Overseas Vietnamese nationals' support for the revolution is not support for the dehumanized administration controlled by the Le Duan clique, but for our people's uprising at home against the clique. Our overseas compatriots must closely unite, and also unite with the compatriots at home and support the revolutionaries to make another revolution, overthrow the decadent and brutal dictatorial rule of Le Duan and his camp, and found a peaceful, unified, democratic and prosperous Vietnam that President Ho expected. To fulfill this revolutionary task, we must be well aware of the two following points:

1. Without hesitation and doubt, we must be well aware that China is a very close friend of Vietnam. The Chinese people are our very good and esteemed friends who have shared woes and misfortunes with us and who have advanced and shed their blood together with us in the struggle against the common enemies. We must be friendly with China, not only in the present generation but also in future generations. Only with such a fundamental awareness can we realize the substance of events and avoid being deceived or left unaware of external events.

2. Sino-Vietnamese relations have been worsened, not because of the Chinese side or people but because of the Le Duan clique that frenziedly opposes China. To oppose China means to betray President Ho's correct line, Vietnam's fundamental interests and the Vietnamese people. This is a wrongful, counterrevolutionary act. The Le Duan clique's anti-Chinese maneuvers are very malicious, wicked and dirty. We can remain steady in the face of events if we are well aware of that.

Nefore ending his talk, Comrade Hoang Van Hoan gave the following earnest advice to representatives of the Vietnamese residents and refugees: As residents on Chinese soil, we must bear a heavier responsibility for restoring and developing Sino-Vietnamese friendship. We must always think of building relations of most sincere and intimate friendship with the Chinese people through concrete acts in our daily life. Moreover, we must seriously comply with China's laws and rules. All our actions must be those of the heroic Vietnamese people. One can understand the Vietnamese people through each specific individual. We must always be exemplary in everything so as to make contributions to Vietnam's revolution and Sino-Vietnamese friendship.

#### INDUSTRIAL PRODUCTION REPORTEDLY DECLINES IN HANOI

OW201627 Beijing XINHUA in English 1616 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA) -- "The drastic decline in industrial and agricultural production in the city of Hanoi in 1980 has brought rising prices and a harder life to the functionaries and workers," said a resolution adopted by the Hanoi municipal committee of the Vietnamese Communist Party, according to a Hanoi report. The Vietnamese daily HANOI MOI (NEW HANOI) carried the resolution on February 17.

The resolution said, "Paper, chalk and medicine are in short supply. There is no increase in the material basis for cultural and social activities. There is little municipal construction and capital investment is limited. Damaged houses, workshops, schools, roads and public utilities have not been repaired in time."

According to the resolution, electricity, coal, gasoline and raw materials were "very short" in Hanoi last year, and electricity in particular "decreased seriously." A report of HANOI MOI said Hanoi needs 1.5-1.6 million kWh of electricity daily but actually it has a supply of only 1-1.1 million kWh. Because of the shortage in electricity and raw materials, Hanoi's handicraft industry fulfilled only 60.6 percent of its plan in the first nine months of last year.

An article by the head of the Hanoi municipal bureau of industry published in HANOI MOI revealed that total industrial output value (including that of handicrafts) in the first half of last year was only 83 percent of that of the same period in 1978.

The resolution warned that the difficulties would be greater still this year. "The state will supply still less electricity, coal and raw materials" to Hanoi in 1981.

In the wake of the drastic decline in industrial and agricultural production and the short-age of commodities in Hanoi came inflation and soaring prices.

#### NETHERLANDS APPROVES SUBMARINE SALE TO TAIWAN

OW210813 Beijing XINHUA in English 0745 GMT 21 Feb 81

[Text] The Hague, 20 Feb (XINHUA) -- The Netherlands Government has stuck to its erroneous decision to permit the sale of submarines to Taiwan disregarding the protests of the Chinese Government and the vote of the Netherlands Parliament to the contrary.

After a meeting of the Netherlands Cabinet this afternoon, Netherlands Prime Minister Van Agt submitted a letter to the Parliament. The letter said that considering the "current situation", the government reaffirmed its initial promise to grant export licenses to the Rijn-Schelde-Verolme firm for the supply of two submarines to Taiwan.

The letter said that the government would be no longer involved in the submarine deal in any form.

The letter justified the sale of submarines to Taiwan by saying that it does not mean the recognition of the regime of Taipei, neither does it violate the international law.

At a press conference he gave on the same day, Vice Prime Minister Hans Wiegel justified the government decision by saying that "the reasons behind the decision were the employment opportunity, the legal obligation of the first decision and the trustworthiness of the Netherlands Government's word."

It was reported that the foreign policy spokesman of the D'66 party Mr Brinkhorst had said he would put forward a non-confidence motion against the government if it did not rescind its decision on the submarine deal.

#### XINHUA Reaction

OW211616 Beijing XINHUA in English 1603 GMT 21 Feb 81

["Netherland's Government's Erroneous Decision--By Correspondent Chen Si"--XINHUA head-line]

[Text] Beijing, 21 Feb (XINHUA) -- The Netherlands Government, in an official letter to the Parliament yesterday, reaffirmed its decision to grant licenses to the Rijn-Schelde-Verolme firm for the construction of two submarines for Taiwan despite the solemm protest of the Chinese Government and the opposition of the Netherlands Parliament. The Chinese people cannot but feel indignant at the fact that the Netherlands Government, acting against the will of the Netherlands people, has stubbornly insisted on its erroneous decision which amounts to interference in China's internal affairs and encroachment upon her sovereignty.

Netherlands Prime Minister Van Agt did his utmost to justify his erroneous decision in the letter. He said all this was but a "business matter" between a private employer and a foreign client. The Netherlands Government, he said, "must stand by its word" to grant export licenses on the deal, and this does not mean that it has recognized the regime of Taiwan, or upheld the "two Chinas" policy, or violated the international law.

By placing an arms deal on a par with the common run of business deals, the Netherlands Government is deceiving the public as well as itself. When Sino-Netherlands diplomatic relations were elevated to the ambassadorial level in 1972, the Netherlands Government explicitly proclaimed that it will respect the Chinese Government's stand that Taiwan is a province of the People's Republic of China. Clearly, the sale of submarines to a Chinese province constitutes outrageous interference in China's internal affairs. Would the Netherlands Government consider it a "business matter" if China sold submarines to a certain province of the Netherlands to fight the Netherlands Government?

W.K. Schmelzer, former Netherlands foreign minister and now chairman of the Foreign Policy Committee of the Christian Democratic Alliance of the Netherlands, has rightly stressed this point by saying: "We cannot justify ourselves in allowing the export of arms to an area which we only recognize as a province of China. I firmly believe that it is impermissible both by international law and from a political viewpoint."

At his press conference yesterday, the Netherlands deputy prime minister gave three reasons for his government sticking by its decision: employment opportunity, the legal obligation of the first decision and the trustworthiness of the Netherlands Government's word. He even said that benefits from the arms deal outweigh the losses arising from the deterioration of Sino-Netherlands relations. The reasons he advanced had been refuted by his fellow-countrymen with a strong sense of justice.

The submarine deal with Taiwan was disapproved by the Netherlands Parliament. So the question of "legal obligation" and "trustworthiness" of the Netherlands Government's word simply does not arise if the decision is rescinded. On the other hand, by clinging to its erroneous decision, the Netherlands Government dishonors its own commitment under the Sino-Netherlands communique on the establishment of full diplomatic relations and goes back on its own word that it recognizes Taiwan as a Chinese province. A Netherlands newspaper has pointed out that as a result of the Netherlands Government's violation of the Sino-Netherlands communique, "the image of our nation as a trustworthy partner in international affairs has been greatly tarnished."

Many far-sighted people in the Netherlands have described the government's decision as "myopic" and "unwise" for it takes into account only a deal of several hundred million U.S. dollars instead of the long-standing friendly relations between the Netherlands and Chinese peoples as well as the overall situation of the worldwide struggle against hegemonism and for world peace. It may be recalled that there has been a favorable development in the political, economic and trade relations between the Netherlands and China since the establishment of diplomatic relations between the two countires. Now, the Netherlands Government has impaired the relations by its erroneous action.

The Netherlands Government's decision is unpopular and completely runs counter to the resolution of the parliament and the will of the Netherlands people. The Chinese people will never forget the friendly feelings of the Netherlands people for the Chinese people and the wide support rendered China by various circles in the Netherlands in connection with the submarine deal.

#### Beijing Radio Commentary

OW221424 Beijing in Mandarin to Taiwan 0400 GMT 22 Feb 81

[Commentary by station commentator (Mei Da): "What Has Become of the Good Faith of the Netherlands Government?"]

[Text] The Netherlands Government has disregarded the motion adopted by the Second Chamber of the Netherlands Parliament and stubbornly persisted in its decision on approving the sale of submarines to Taiwan. The report has further aroused furious indignation among the Chinese people. The Chinese people are determined to join the Netherlands of all walks of life who uphold justice and defend the Sino-Netherlands friendship in continuing the struggle against the erroneous decision made by the Netherlands Government.

On 3 February, the Second Chamber of the Netherlands Parliament voted 77 to 70 in favor of a motion submitted by the opposition party opposing the Netherlands Government's approval of the sale of two submarines to Taiwan by Rijn-Schelde-Verolme. After the vote, the Netherlands Prime Minister Van Agt said that the Netherlands Government would examine the new developments that have represented themselves before making a decision on the issue.

However, the Netherlands Government repeatedly stalled and delayed any unequivocal decision. Then it decided not to accept the Second Chamber motion and at the same time withhold the decision from the public. Now the Netherlands Government has at last informed the Parliament of its decision that violates the Netherlands people's aspiration and international obligations. Such an act of the Netherlands Government is indeed shameful.

In order to persist in its erroneous decision, the Netherlands Government has furnished various alibis, but they have long been thoroughly refuted by Parliament members and people of all walks of life in the Netherlands, and by the Chinese people and the people of the whole world. As everyone knows, China and the Netherlands signed a joint communique on upgrading their diplomatic relations in 1972. The communique confirmed the principles of mutual respect for sovereignty and territorial integrity and noninterference in each other's internal affairs. It noted that the Chinese Government reiterates that Taiwan is a province of the People's Republic of China; the Government of the Kingdom of the Netherlands respects the position of the Chinese Government and recognizes the Government of the People's Republic of China as the sole, legal government of China.

Now the Netherlands Government has ignored repeated warnings issued by the Chinese Government and persisted in approving the sale of naval submarines to Taiwan authorities. This is gross interference in the internal affairs of China, a violation of China's sovereignty, complete betrayal to the principles set forth in the joint communique and a violation of the basic norms governin, international relations. The Netherlands Government has ignored the very important joint communique on Sino-Netherlands diplomatic relations, persisted in an erroneous position and totally disregarded its legal obligations. What has become of its good faith?

The dignity of the Chinese people brooks no violation. On 19 January, the Chinese Foreign Ministry informed the Netherlands side that the act of the Netherlands Government has undermined the basis for the ambassadorial level diplomatic relations between the two countries, that China asks for a downgrading the diplomatic relations between the two countries. Now the Netherlands Government has obstinately clung to its wrong course in disregard of the objection raised by the Chinese Government and people, the motion approved by the Netherlands Parliament and the Netherlands people's opposition. It has forced China to ask for a downgrading of the diplomatic relations between the two countries and damaged Sino-Netherlands relations. The responsibility for all these rests entirely with the Netherlands Government.

#### RENMIN RIBAO Letters

OW220756 Beijing XINHUA in English 0711 GMT 22 Feb 81

[Text] Beijing, 22 Feb (XINHUA)--Netherlands citizens in their letters to the Chinese weekly Beijing REVIEW have expressed their "consternation," "opposition" and even "shame" over their government's approval of the submarine deal with Taiwan. Some of the letters were published in the PEOPLE'S DAILY here today.

Mr Rob Oostvogels of Rotterdam writes: "By way of this letter I want to let you know that the Netherlands people are heavily opposed to the government's approval of the submarine deal RSV made with the Taiwan authorities. In the Netherlands there have been very many protests. And there is much indignation everywhere. People of all walks of life have expressed their dissatisfaction publicly. Professors sent letters to the government, journalists wrote articles against it, workers from the harbour of Rotterdam went to The Hague to speak to Van Agt (the prime minister) personally and to put pressure on Parliament." He says: "The desire of our people is that there is friendship between China and the Netherlands, and that the Netherlands Government should go back on its decision."

Miss Pauline A.H. Smulders and Mr Hans Beskers of Utrecht write: "We are very much ashamed that the government should have agreed to the delivery of submarines to Taiwan. It is a shame that the Prime Minister Mr Van Agt acted like this, also because he was so recently in China and behaved like China's 'best friend'. We feel he betrayed the Chinese ideas of friendship and honesty, and not only the Chinese ideas, but also ours." The letter says, "We say that the majority of the Netherlands people do not agree at all with the present government act." "We cannot blame China for taking measures against the Netherlands."

Helmie van Schijndel of Amsterdam says in his letter, "As a Netherlands citizen I want you to know that I fully support the steps taken by the Chinese Government against the Netherlands Government." He points out that "if the Netherlands Government can get away with this, then the road is open for other countries to do the same. It is therefore necessary that the Chinese Government takes severe measures against this. The policy of 'two Chinas' may not be tolerated."

Writing from Quebec, Canada, Mr J. Willem Vanleenhoff, a former citizen of the Netherlands, says that the submarine deal "is detrimental to the peaceful unification of Taiwan and the mainland and to the long-established good relations between China and the Netherlands. I hope that the Government of the Netherlands will reconsider its decision."

#### AFP ANALYZES RESULTS OF MITTERRAND'S PRC VISIT

OW152210 Paris AFP in English 2200 GMT 15 Feb 81

#### [By Pierre Favier]

[Text] Beijing, 15 Feb (AFP)--French Socialist Party chief Francois Mitterrand apparently failed to agree with Chinese leaders on the subject of the Soviet Union in his week long stay here ending tomorrow. Chinese leaders insisted several times in their talks with Mr Mitterrand's delegation that Western Europe should play a role alongside China and the United States to reduce the risk to world peace they said resulted from "Soviet expansionism" and "hegemonism." But the French Socialist pointed out that for security reaons, Western Europe should maintain good relations with Moscow. Mr Mitterrand commented: "France's job is not to arm China against the Soviet Union."

China's invitation to Mr Mitterrand, who is also vice-president of the Socialist Internationale, is part of a long process of rapprochement with leaders of the workers movement, social-democratic parties and communist parties independent of Moscow. His visit follows those here of Italian Communist chief Enrico Berlinguer, Spanish Communist head Santiago Carrillo, and Portuguese Socialist head Mario Soares. All of them had firmly condemned the Soviet military intervention in Afghanistan.

Chinese officials also said they were uneasy over their own country's economic difficulties, inflation and unemployment. They stressed that the Cultural Revolution from 1966 to 1976 launched by Communist Party'Chairman Mao Zedong, who died on Sep 9, 1976, and promoted in particular by his wife Jiang Qing caused the economy to lose ten years. Deputy party Chairman Deng Xiaoping told French news correspondents accompanying Mr Mitterrand that Mao made a certain number of mistakes "in the evening of his life." But Mr Deng still considered that the "Great Helmsman's" merits outweighed the errors he might have made.

Mr Mitterrand did not meet Hua Guofeng, whom Mao designated to succeed him at the head of the party. Mr Deng, considered the strong man of the post-Mao regime, practically confirmed that Mr Hua was preparing to turn over his post to Hu Yaobang, the party's secretary-general and a close collaborator of Mr Deng. Mr Mitterrand encountered Mr Hu twice.

#### BIS'IOP CHARGES POSSIBLE VATICAN SUBVERSION IN PRC

OW201511 Hong Kong AFP in English 1416 GMT 20 Feb 81

[Text] Beijing, 20 Feb (AFP)--A bishop of the official Chinese Catholic Church said here today that the Vatican might be backing activities of Catholic dissidents in China. "Acts of sabotage against our unity by people coming from abroad must end," said Beijing Bishop Michael Fu Tieshan, one of the Chinese bishops enthroned since the break between China and the Vatican in 1957. He was commenting on Pope John Paul's statements--made during his current visit to the Philippines--in favor of a reconciliation between the Holy See and the official Chinese Catholic Church. "Such activities have been occurring for about two years and we do not rule out that the Vatican may be behind them," he noted.

Bishop Fu's statements were the harshest ever made against the Vatican by a member of the official Chinese church since Chinese authorities introduced relative religious tolerance exactly two years ago. Their tone, analysis said, was similar to that which characterized the virulent attacks launched by Beijing and the official Catholic clergy during the fifties and sixties—a time when the Holy See was branded by Beijing as "an agent of imperialism."

"In view of the behavior and policy which it continues to follow toward our church and our motherland, we find it difficult to believe that the Vatican can truly change its attitude toward us," Bishop Fu told newsmen.

In a first reaction to the pope's words on China during a speech in Manila, Bishop Fu yesterday only indicated that a papal visit to China would be "meaningless." Addressing representatives of the Filipino Chinese community, Pope John Paul had expressed his desire to come to China and called for a reconciliation between the Vatican and China's "patriotic" (official) Catholic Church. Analysts said Bishop Fu's reaction today was sparked by the pontiff's tribute to the "heroic faith" of Chinese Catholics who remain faithful to the universal church. This was seen as a possible reference to those among them who disagree with the policy of "independence" from the Vatican followed by the official Chinese Catholic Church. Bishop Fu forcefully reaffirmed the principle of this "independence" saying the Chinese Catholic Church could not accept a "paternalistic subordination to that of Rome." "The two churches are equal before God," he noted.

Both Chinese authorities and the "patriotic" church conceded last year that there were Catholic dissidents in China. According to official figures, the Chinese Catholic community numbers about three million people. But the number of Catholic dissidents, "the church of silence," is not known. But French Cardinal Roger Etchegaray, the first foreign high-ranking prelate to visit China—last year—since the communist takeover in 1949, said the official Catholic Church represented only a "small minority of the Catholic community" in China.

Bishop Fu gave no details of the "acts of sabotage" he mentioned. Commenting on the pope's appeal for a reconciliation, he said: "Good faith and sincerity cannot be measured by words but by acts."

#### NPC DELEGATION LEADER SPEAKS AT DINNER IN MALTA

OW210241 Beijing XINHUA in English 0212 GMT 21 Feb 81

[Text] Valletta, 20 Feb (XINHUA)--Acting President Vincent Scerri and leader of the visiting Chinese National People's Congress delegation Hao Deqing expressed satisfaction with the cordial relations and cooperation between their two countries at a dinner in honor of the delegation here this evening.

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Speaking as the host of the dinner, Dr Scerri said, "Maltæ, like China, had for centuries experienced the bitterness of foreign domination, during which time our national identity suffered greatly.... Malta is today proud to be an independent republic whose people have solemnly vowed never to allow foreign military bases on its soil. The government and the opposition are determined to defend the political sovereignty and territorial integrity of our beloved island home. Shorn of all military connection, the Republic of Malta has chosen to follow a policy of neutrality firmly insed on the principles of non-alignment and determined to keep eqidistant from the two superpowers."

Thanking China for its "significant material and technical help," Dr Scerri said he was confident that the delegation's visit will further enhance Sino-Maltese friendship.

Hao Deqing paid tribute to Malta's position of neutrality and nonalignment and its support for the national liberation movement and the Arab people's cause in particular. China, he said, supported Malta's stand that the Mediterranean belongs to the people of the Mediterranean countries. He said he shared the acting president's belief that friendship and mutual assistance between the two countries will continue to develop in the future.

Present at the dinner were the speaker and deputy speaker of the Parliament, government ministers and the leader of the opposition, Eddie Fenech Adami. Chinese Ambassador Cheng Zhiping was present.

Earlier in the day, the delegation called on Mr Adami and several ministers and had cordial conversations with them.

#### YAO YILIN AT MEMORIAL MEETING FOR LIANG YAO

OW211359 Beijing XINHUA Domestic Service in Chinese 1140 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA)--Liang Yao, member of the Fifth National Committee of the CPPCC and former deputy director and member of the party group of the national supply and marketing cooperative, died of illness in Beijing on 4 February 1981 at the age of 70.

Comrade Liang Yao was a native of Dingxian County, Hebei. He jointed the CCP in his early years. He took part in revolutionary activities for more than 40 years and had assumed leading posts in promoting cooperative work in central Hebei and northern China and at the national level. He dedicated his whole life for the party and the people, especially for the cooperative work of the party.

A memorial meeting for Comrade Liang Yao was held at the auditorium of the Babaoshan Cemetery of Fallen Revolutionaries today. Li Xiannian, Chen Yun and other comrades presented wreaths. Yao Yilin, Bo Yibo, Cheng Zhihua and other comrades attended the memorial meeting.

#### ZHANG AIPING CELEBRATES PLA PICTORIAL ANNIVERSARY

OW210028 Beijing XINHUA Domestic Service in Chinese 1452 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA) -- It has been 30 years now since JIEFANGJUN HUABAO [PLA PICTORIAL 6043 2455 6511 3973 1032] started publication in February 1951. Today, Zhang Aiping, deputy chief of staff of the PLA General Staff Department; and Liang Biye, Shi Jinqian and Hua Nan, deputy directors of the PLA Political Department, held a get-to-gether with all pictorial office personnel to celebrate its 30th anniversary.

At a discussion meeting Zhang Aiping and the other comrades encouraged everyone to, under the new historical conditions, uphold the four fundamental principles, make efforts to propagate the party's line, principles and policies since the 3d Plenary Session of the 11th CCP Central Committee, implement the party Central Committee's important policy for further economic readjustment and further political stability, give publicity to socialist spiritual civilization and educate and inspire all commanders and fighters of the army to work with one heart and one mind to make contributions in the drive for the four modernizations.

The JIEFANGJUN HUABAO has published 404 issues. In the past 30 years it has maintained the glorious tradition of the photography workers of our army to gear itself to the needs of the companies and the fighters and has strived to work for the consolidation and enchancement of our army's fighting power. It has made gratifying achievements and is welcomed by its readers inside and outside of the army. Recently scores of calligraphers and painters all over the country offered inscriptions and paintings to felicitate the 30th publication anniversary of JIEFANGJUN HUABAO.

#### RENMIN RIBAO EDITORIAL CITES DENG ON 'EMPTY TALK'

OW210114 Beijing XINHUA Domestic Service in Chinese 1236 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA)—RENMIN RIBAO today published an editorial pointing out that doing more concrete deeds and indulging in less empty talk represents a work style that has consistently been promoted by our party. Comrade Deng Xiaoping emphatically pointed out in his closing address at the 11th National Congress of the Chinese Communist Party that "There must be less empty talk and more hard work. We must be steadfast and dedicated." What Comrade Deng Xiapoing said is of tremendous realistic significance.

The editorial, entitled "Do More Concrete Deeds and Make Less Empty Talk," says: If we only pay lipservice without taking action, we will never be able to accomplish anything no matter how big or small it is. More talk but less action will also result in missing opportunities because of delay. One can never gain greater wealth by making more empty talk, whereas difficulties can never be frightened away because of additional boasting.

The editorial points out: Making empty talk is very harmful. For instance, the very purpose of holding a meeting is to study problems and work out solutions. If there are no preparations and no essential speech topics indicated, and if only aimless discussion is conducted at the meeting, then this meeting becomes empty talk. In drafting a document, it is necessary to analyze the situation in order to provide guidance for concrete work. If we only emphasize empty hows and whys, repeat some old sayings and fail to present something concrete that is capable of explaining as well as solving problems, then the document itself is nothing but a piece of empty paper. In handling a problem, we must first conduct investigations and study and take into account advantages, disadvantages, gains and losses so that we will be able to know how things stand and have a clear attitude and positive opinions concerning this problem. We must not be ambiguous in dealing with a problem by taking neither a positive nor a negative attitude. If we do not solve the attitude problem and other similar problems, it will be impossible for us to increase work efficiency.

The editorial points out that the best way to overcome the "empty talk wind" is to conduct thorough investigations and study.

The editorial says: In the 1960's, Comrade Chen Yun on many occasions visited peasant households to inspect progress in pig raising and private plot farming and conditions in housing and food supplies. By handling problems without conducting investigation, some of our comrades will inevitably land themselves in the position of making empty talk. If we frequently plunge deeply into reality to make contact with the masses and to know what is on their minds, what their difficulties and demands are, and what are their best solutions with regard to some problems, then we will be able to know how things stand and work out effective and applicable plans and programs to solve various problems in good time in accordance with different conditions and different objectives. Therefore, the leading personnel at all levels must frequently plunge deeply into reality. Now that the spring festival is over some leading organs have assigned leading cadres to lead large numbers of cadres in gradually going to the grassroots levels to conduct investigations and study there and to listen to all kinds of opinions. This method should be further promoted and institutionalized.

#### RENMIN RIBAO: COUNTRY CAN MODERNIZE BY ITSELF

OW230733 Beijing XINHUA in English 0707 GMT 23 Feb 81

[Text] Beijing, 23 Feb (XINHUA)--Today's PEOPLE'S DAILY says that "It is foreseeable that the Chinese people can modernize China's agriculture, industry, science and technology and national defense by relying on their own strength."

Commenting on the latest development in the construction of the mammoth Gezhouba water control project on the Yangtze River, the commentary urges the Chinese people to "have confidence in our own strength and revolutionary aspirations at all times." The Gezhouba project is being built in Hubei Province, central China, three kilometers downstream from the Zigzagging Three Gorges on the middle reaches of China's longest river. The project includes two power stations with a total generating capacity of 2,715,000 kilowatts, a reservoir with a storage capacity of 1,580 million cubic meters of water, and three shipping locks.

The PEOPLE'S DAILY calls attention to the fact that the work, ranging from project designing to manufacture of equipment needed in the construction, "has been done by Chinese themselves."

In addition to the Gezhouba project, China has to its credit a number of other successful construction and scientific projects which "had wide repercussions at home and abroad." They include the Daqing oilfield in northeast China, bridges across the Yangtze River, test explosions of atomic and hydrogen bombs, and test firing of intercontinental missiles.

The turbulent Yangtze River was stemmed at Gezhouba on January 4, to facilitate the completion of a 2,561-meter-long dam, on which the power stations will be built.

Since then, reports today's PEOPLE'S DAILY, work has been completed for the installation of the number one generating unit at one of the power stations. The unit has a designed capacity of 170,000 kilowatts. A 890-meter-long cofferdam stemming the Yangtze River has been strengthened and built up in preparation for the coming flood season. Its height was measured at 55 meters by February 15.

#### BEIJING FOREIGN RESIDENTS RECEIVE JIANG QING 'PLEA'

OW201345 Hong Kong AFP in English 1248 GMT 20 Feb 81

[Excerpt] Beijing, 20 Feb (AFP)—A leaflet carrying an unpublished "plea" allegedly made by Mao Zedong's widow Jiang Qing during her recent show trial was received by foreign residents here today. Received through the ordinary mail, the two-page leaflet is signed by a "Shanghai section of the Communist Party Association of Anti-Revionist Comrades," a hitherto unknown group.

It assailed "leaders embarked on the capitalist road, including Deng Xiaoping" (China's de facto ruler) and its authors said they were supporters of the Maoist Cultural Revolution (1966-76). It also urged that "the emperor be pulled down from his horse without fear of being stabbed by his sword" and stressed that this "plea" had been "secretly passed to a comrade" by the widow of China's "great helmsman."

Jiang Qing, jailed since 1976, was sentenced to death with a two-year reprieve last month for "counter-revolutionary crimes."

"To overthrow Deng Xiaoping and company-the partisans of capitalism--is an irresistible trend of history, and no reactionary force can prevent us from accomplishing this action," it concluded.

#### CYL SPONSORS LECTURES ON SITUATION, POLICY

OW201441 Beijing XINHUA Domestic Service in Chinese 1146 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA)--The Propaganda Department of the CYL Central Committee and the Beijing Municipal CYL Committee jointly sponsored the first in a series of lectures on the current situation and policy at the CPPCC auditorium on 20 February. Some 1,200 CYL cadres heard reports by responsible comrades concerned of the State Planning Commission on economic readjustment in our country.

In sponsoring the lectures, the CYL organizations have revived the fine tradition of conducting education among cadres on the current situation and policy. The guiding principles of the lectures are, in close coordination with the party's central work, to educate and guide the CYL members and young people to correctly understand the situation in the light of the party's line, principles and policies adopted since the convening of the 3rd plenary session of the 11th party Central Committee and to encourage young people to strive to promote the four modernizations with one heart and one mind.

The lectures, intended for full-time CYL cadres, will discuss questions of current concern to young people. Responsible comrades of the party and government departments concerned, will be invited to make reports at irregular intervals. The subjects which have tentatively been decided include the rural situation and agriculture policy, building of a civilization based on the spirit of socialism, socialist democracy and the legal system, carrying forward the party's tradition and international situation.

#### GUANGMING RIBAO ON CYL CENTRAL COMMITTEE CIRCULAR

HK201243 Beijing GUANGMING RIBAO in Chinese 9 Feb 81 p 1

[Report: "Increase the Fighting Power of CYL Organizations and Improve the Situation in the Ranks of CYL Members--CYL Central Committee Decides To Launch a General Education Campaign on Becoming a Qualified CYL Member"]

[Text] Recently, the CYL Central Committee issued a circular on its decision to seriously conduct a general education campaign on how to become a qualified CYL member in CYL organizations all over the country. The purpose of this campaign is to further increase the CYL organizations' fighting power, positively improve the situation in the ranks of the CYL members and make the CYL play its role in socialist construction better.

The CYL Central Committee pointed out in its circular: The CYL is the party's assistant. It is the core element in the party's efforts to unite and educate the youth. This role as the core is manifested in each CYL member's constantly and directly setting a good example. However, at present, there are some CYL members who do not have the basic knowledge about the CYL and who do not know the CYL's nature and tasks, the CYL members' duties and rights, the CYL's organizational discipline and the CYL members' role as models. That is to say, they do not know how to be qualified CYL members. Thus, it is very important to conduct a general education campaign on how to become a qualified CYL member among CYL members all over the country.

In this education campaign, demands will be set on CYL members in accordance with the six duties of CYL members. It will use the "constitution of the Chinese CYL" and "What demands must a CYL member set on himself?" as the principal study material and relate these to the actual mental state of CYL members to launch a general campaign among CYL members. We must guide the broad masses of CYL members to take the lead in implementing the party's line, principles and policies and maintain ideological progressiveness and unity of action among the ranks of CYL members. CYL members must take the lead in pursuing cultural, scientific and technological knowledge and in taking the road of being both Red and expert. They must take the lead in participating in socialist construction and strive to be shocktroopers in the new Long March. They must take the lead in upholding social morals and in safeguarding state and collective interests and play an exemplary and leading role among young people.

The ways to conduct the education campaign on how to be a qualified CYL member can be varied and flexible. The methods must be rich in content and must be effective. We must persist in conducting self-education and constantly employ the method of discussion to provide correct guidance. We must pay attention to overcoming the method of "one-way traffic during discussion" and "issuing orders." CYL members with outstanding performances or who have played an outstanding role as models must be commended and encouraged. With regard to CYL members whose performance is passable, we must both affirm their merits and guide them to find out their deficiencies, to set goals and to catch up or surpass advanced CYL members. As for CYL members with poor performances, we must do a good job in patiently and meticulously conducting ideological work and inspire and guide them to rectify shortcomings and mistakes. As for those who, despite repeated attempts to educate them, have refused to participate in CYL activities and refused to pay membership dues, they must be allowed to withdraw their membership. Those who have committed grave mistakes, who are unrepentant after repeated efforts to educate them and those who exert a very bad influence among CYL members must be given necessary organizational sanctions.

The CYL Central Committee pointed out in its circular: Conducting the education campaign on how to be a qualified CYL member is an important task for the whole CYL in 1981. CYL organizations at all levels must seriously do a good job in handling this task. It is also hoped that party organizations at all levels will strengthen their leadership, pick out models and conduct timely summation and exchange of experience.

#### ECONOMIC JOURNAL ON PROBLEMS OF SOCIALIST ECONOMY

HK120300 Beijing JINGJI YANJIU in Chinese No 12, 20 Dec 80 pp 3-16

[Article by Yn Guangyuan [0060 0342 6678]: "Several Theoretical Problems Concerning the Socialist Economy"--On 6 August 1979, the author made a speech with this title at a study meeting on the socialist sector of political economics. Later, he further elaborated on the problems discussed in this speech on other occasions. Some contents of his later speeches have also been sorted out and incorporated in this article. The first part of the speech is published in this issue and the next two parts will be published in the next issue-capitalized passages published as boldface]

[Text] Now we talk about the topic that "the whole socialist economic organization is a machine," or to be more exact, "the whole socialist economic organization is an enormous modernized mechanical system."

The socialist economy we are studying is a very complicated subject. It is not something in a static state, but something which is developing. In addition, since we are carrying out socialist construction, we not only have to study the objective aspects of the problem, but also the subjective aspects. This means that we not only have to study the laws of motion of the socialist economy, but also have to study how to make use of these economic laws to formulate economic policies for socialist construction and to effect socialist economic administration. Today, I am not ready to talk about the problem of how to study the socialist economy in different aspects. I only want to contrast the whole socialist economic organization with an enormous modern mechanical system and say something about several important theoretical problems of the socialist economy.

The reason why I want to talk about this topic is that in discussions with several old comrades last summer, one of them mentioned that we should attach importance to works of mechanistic materialism in France in the 18th century, which gave me inspiration. This topic "the whole socialist economic organization is a machine" which I am talking about is modeled on "L'homme-Machine" written by Julien Offroy de la Mettrie, an 18th century French philosopher. This book by La Mettrie is world-renowned in the history of philosophy. It is the exponent of mechanistic materialsm. French materialists of the 18th century were philosophers who firmly took the stand of materialism. Their struggle against idealism was very resolute. They were greatly influenced by natural science-especially by mechanics. In order to oppose idealists describing a human body as something mysterious, La Mettrie wrote this book and said that a human body was also matter. It was only a set of very ingenious machine. La Mettrie compared a man to a crude machine and the conclusion he drew had some drawbacks. Therefore, it was called mechanistic materialism. However, with respect to opposition against idealism, he provided comparatively strong arguments in the book, which are still very useful today. That was why Lenin once said that when we studied materialism, we should not study Marxist works alone, but should also study seriously materialist works in the past including works on mechanistic materialism in the 18th century. Of course, we are dialectical materialists because only dialectical materialism can really defeat idealism and only dialectical materialists can become thorough materialists. We are not mechanistic materialists, but today it is necessary for us to have materialism, to oppose volitionism and to oppose manifestations of subjective idealism. So it is worth attaching importance to books like those written by La Mettrie. Although it is certainly crude to compare a man to a machine, I feel that it is still commendable in some ways. So long as we do not go to extremes in our comparison and do not oversimplify a man, then it is reasonable. Nowadays, is not the problem of mechanism of physiological activities still being discussed in physiology? The word "mechanism" is derived from the comparison between men and machines. I reckon that since the comparison between a man, a kind of complex organic matter, and a crude machine is commendable in some ways, then it is even more commendable to compare the whole socioeconomic organization of socialism with a developing mechanical system. Of course, comparisons are comparisons after all. To compare two things does not mean to equate one to the other. There are similarities or identities between a man and a machine, but at the same time, there are also many dissimilarities or complete differences between them. [paragraph continues]

It is not proper to say that things that are dissimilar or completely different are similar or identical. To make comparisons is not recientific research. Only if we carry out physiological and psychological studies of human bodies can we explain what human bodies actually are, and only if we carry out social and historical studies of men can we explain what the social nature of men is. But I think that such comparisons can inspire people to think. They can also help us to explain the problem in a more popular and vivid way. A man, when compared with a machine, is something much more complicated. The whole socialist economic organization, when compared with an enormous modernized mechanical system, is also something much more complicated. However, if we realize this and constantly bear it in mind when we make such comparisons, we cannot look upon such comparisons as being mechanistic.

I would like to say something about six theoretical problems concerning the socialist economy with such comparisons: The theory of the aim of the socialist economy, the theory of the structure of the socialist economy, the theory of the mechanism of the socialist economy, the theory of the regulation of the socialist economy, the theory of the motive power of the socialist economy and the theory of the effect of the socialist economy, simplified to the theory of the aim, the theory of the structure, the theory of the mechanism, the theory of the regulation, the theory of the motive power and the theory of the effect of the socialist economy. These six theoretical problems spring from the historical experience of socialist economic construction. They fall within the scope of the concrete study of the socialist economy. Concrete study of the socialist economy may not be confined to these six problems but I think these six problems may include most concrete problems. Today it is impossible for me to expound all these six problems. It takes much time even to explain them briefly. Today, it is impossible to do this either. Now I only wish to raise these problems so that the comrades present may consider if my way of raising these problems is proper or not.

#### FIRST, THE THEORY OF THE AIM OF THE SOCIALIST ECONOMY

Seeing a machine people will ask what kind of machine it is and what it is for. For example, the purpose of a generator is to generate electricity. The purpose of a spinning machine is to spin cotton into yarn. What is the machine of our whole socialist economy for? What aim do we want to achieve by running this machine? This is the problem to be discussed in the theory of the aim of the socialist economy.

What is the aim of the economic life of the whole socialist society? This is not a new problem. In discussing the basic economic laws of socialism, Stalin already mentioned that the aim of socialist production is to meet the ever increasing material and cultural needs of the whole society to the greatest extent. Can we not think of a more definite aim of the socialist economy according to this guiding idea? In my opinion, we may put it like this: To produce end products most needed by the society to the greatest extent and in all possible ways is the aim of socialist production.

What are end products? What we mean first of all are consumer goods which include: (1) personal consumer goods; (2) materials needed by society for developing education, science and culture; (3) materials needed for social administration and materials needed for class struggle at home and abroad while class struggle still exists. These three items together with export goods are end products. When the whole world is taken into account, export goods may not be considered as end products. But to the socialist society we are studying, they are beyond the sphere of production. They are therefore end products.

If this aim is correct, we may then make two deductions: (1) we should proceed from end products to plan and arrange production; (2) the quantity and quality in the production of end products should be the standard for evaluating the results of our work.

The end products we mention here are different from the ultimate demands usually spoken of by capitalist economists. For example, Wassily W. Leontief, who advocated the inputoutput analysis method considered that there were four kinds of ultimate demands: (1) the demand for investment; (2) the demand for consumption; (3) government purchase; (4) the demand for exports. Of these four demands, "consumption" and "exports" are the same as the two we are talking about (of course, their residents' consumption includes the capitalists' consumption). The other two are different from ours. It is reasonable for capitalist economists to consider the demands for investment and government purchase as ultimate demands because they reflect the economic life of capitalist society. Capitalist production is the production of surplus value. It seeks to maximize profits. Therefore, if things are sold at a profit, the ultimate goal of the capitalists is attained. To one or two capitalists, any type of goods that can be sold should be considered as end products, except material goods which are still in the process of surplus value production. The demands for these products are all ultimate demands. For example, products for expanding reproduction are a means to make profits in future in the eyes of the investors. Therefore a relevant product is called for and this gives rise to a demand. But such a product is excluded from production in the capital surplus value production we are studying. So in capitalist production, investment is considered a kind of ultimate demand. Production in a capitalist imperialist country is based on private capital. Its state monopoly capitalism is also based on private capital and is the integration or merging of private monopoly organizations and the state. Viewed from the standpoint of private capital, products purchased by the government are also end products. Although many of the products purchased by the government are within the range of "end products" mentioned above, we cannot thus determine what end products are in our socialist economy. Under the socialist system, investment is not the purpose and production is only a means. Which of the products purchased by the government are classified as end products depend on whether they belong to any of the four kinds of end products mentioned above.

The aim with which an ordinary machine is manufactured determines how a designer designs it, how a producer uses it correctly, how the machine is renewed, and so forth. This is also true of an economic machine. If it is clear to us that the aim of the activities of this machine—the whole socialist economic organization—is to produce end products in the largest quantity possible and of the best quality possible, we will use whether or not such an aim is attained and how well it is attained as a basis for planning and arranging economic activities and for assessing the merit of our work when we are making use of this machine.

It should be admitted that the possibility that people may not recognize the aim of the socialist economy and go against the objective demands of the aim of the socialist economy does exist. For instance, some people may not take satisfying the ever increasing needs of society as the aim but take fulfilling production quotas fixed by leaders at an upper level or take the needs of politics or propaganda as the aim and take the road of production for production's sake. Some people may not take producing use value which can satisfy the needs of the society as the aim of the socialist economy but take value or profit as the aim, that is, they mixed up the economic accounting system adopted to improve administration of enterprises and even mixed up the system of assuming responsibility for one's own profits and losses with the fundamental aim of the socialist economy. In such cases, the socialist national economy will be damaged.

Let us try again to use a systematic viewpoint to examine the economic machine we are discussing. For the time being, we may set aside its internal structure, the internal functioning mechanism, its motive power and so on, and inspect only the input and output of this machine. We can then see that what is put into this machine includes various kinds of resources—material resources, human resources and spiritual resources. The material factors we mention here include materials put in and it also includes different kinds of material conditions (naturally existing conditions and artificial conditions). The human resources we mention here are people who enter the whole socialist economic organization and take an active part in it. The spiritual resources we mention here include scientific technological knowledge already acquired by society, the experience already acquired and the summary of such experience. [paragraph continues]

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What comes out of the machine are products and at the same time people who have been tempered, trained, improved and people with more experience, knowledge and skills. Of course, the machine does not produce products alone. It will also cause pollution. For example, in carrying out a major item of water conservancy work, if the work is not done properly, it will result in damage to the ecological balance of nature. Again, if the work of felling trees in forests is not done properly, serious consequences will also arise. Professor Wang Changfu of the forestry academy once wrote some material concerning how the forest zones in the southwest were damaged. Later, I also read some material--"the Chang Jiang is in danger of becoming a second Huang He"--written by a comrade of the Agricultural Economic Research Institute. I passed on the material to the Forestry Institute which again passed it on to the Ministry of Forestry. The ministry attached much importance to it and organized people to study it. If we say that the present situation of the Huang He caused by damage of forests and erosion is the result of several thousand years of small-scale production, much more rapid damage will occur under the condition of large-scale production, if we are not careful enough. Pollution cannot be totally avoided. With a lathe we cannot produce screws alone without scraps (of course, we may adopt the noncutting process but then it is no longer the production of a lathe). In turning out a screw with a lathe, there are bound to be some scraps. If no scraps are permitted, it means cutting is not permitted and production by cutting is not permitted. In this sense, pollution may be considered as "necessary." So the following diagram shows a common occurrence:

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#### Economic Machine

[inputs into]
Material Resources
Human Resources
Spiritual Resources

[outputs from]
Products
Capable People
Pollution

The products indicated in the diagram mean products which are in conformity with our economic aim. They include the principle products, that is, products intended as the main aim. They also include by-products. Pollution is also a "by-product," but it is not an active but a passive element. Generally speaking, it exists in varying degrees.

When we say that pollution cannot be totally avoided, it does not mean that we do not have to try every possible way to avoid pollution. We should also study the passive matter produced by a machine and see how to reduce this passive matter or turn it into active matter, that is, to turn waste into treasure. This problem occurs in a common machine. The same problem will also occur in an economic machine. For instance, when we are felling trees in forests, we should at the same time study how to protect the forests well. In addition, we should also pay attention to the way of felling trees. If possible, the structure of trees in the forests should also be improved, and so forth. In these aspects, many problems are to be studied. Even a properly working economic machine produces negative matter. If it is not in good working order, the negative matter it produces is even more. However, if we pay special attention to handling this negative matter properly, we can make the actions of our economic machine conform more to the economic aim originally set. In studying problems concerning the theory the aim of the socialist economy, we should point this out.

#### SECOND, THE THEORY OF THE STRUCTURE OF THE SOCIALIST ECONOMY

The whole economic organization of socialism is a machine. I consider that there are two machines in socialist society. The other is the state machine, the political machine. As to the political machine, much has been discussed in articles written by our Marxists. But little has been said about the economic machine, almost as if there is not such a term yet.

I would like to pose such a question: Why can we not compare the whole socialist economic organization in socialist society to a machine since Marxists started long ago to compare the whole political organization in socialist society to a machine? The political organization of socialist society is also very complicated. It consists of many social relations which can hardly be compared with mechanical principles. When it is compared with a machine, much of the comparison is not exact, but people have already accepted the concept of a state machine. [paragraph continues]

This shows that such inexactness in making comparisons does not prevent people from making use of the concept of a state machine. It means to say that although when the political organization of socialist society is compared to a machine, much of the comparison is not exact, the term state machine has all along been used and nobody has ever found fault with it. So why can we not compare the whole socialist economic organization to a machine? The reason why some people disagree about making such a comparison is merely because the socialist economic organization is very complicated. Such a comparison involves many social relations which can hardly be compared with mechanical principles. Since the term state machine has all along been used and it helps people to understand the state, why then can we not extend this method to the socialist economy? If the question is raised this way, it will give us greater courage to say that there is another machine in socialist society and to say that the whole economic organization of socialist society is itself a machine.

I think we should say that at present there are not one but two machines in our socialist society, the political machine and the economic machine.

Any machine has its structure. The reason why an economic machine is an economic machine is because of its structure. What is meant by the structure of a machine? My understanding is that we can regard a machine as being composed of different parts with several different functions. These parts of the machine can further be subdivided until they become something which can no longer be divided. The whole machine is made up of layers and layers of parts according to a certain relation. To be specific, a machine can be divided into several mechanisms which can further be divided into several components. These components again can be further divided until they become parts which can no longer be divided. These indivisible parts are ordinary mechanical parts, no matter whether they are big or small. We call such a structure of a machine the microstructure of a machine, but we can also start from the other way round. Many such machines can be combined. With other machines and equipment joining them in between, these machines can form an enormous mechanical system. A modernized factory, especially a big factory, is such an enormous mechanical system. We can refer to an enormous mechanical system composed of many single machines as a macrostructure of machines. The word machine in its original meaning is like this and the political machine (the state machine) and the economic machine are also like this.

To be more specific, in the chapter "Machines and Large-Scale Industry" of "Das Kapital," Marx had already made an analysis of machines. He held that each machine is made up of three parts--the power section, the transmission section and the working section. It has been more than 100 years since Marx made this analysis. In this 100 years, there has been great development of mechanical systems. Apparently, it is not enough to divide a machine into three parts like that. For example, we can say that a modern machine has developed into a very big system. In the production of electricity, several large regions of a country or a whole country or even several countries can form a power network. Such a network is connected with any part of the whole society which uses electricity. The railway, other branches of transportation, basic engineering sections, and so forth, are also similar. Inside a factory, different machines and equipment are also connected together. Besides the production and transmission of power, the dissemination of goods and materials and processing often link up the production of the whole factory. Furthermore, control equipment is added to a modern mechanical system. For example, in every comparatively large or modern factory, many instruments and meters which can register different changes in the process of production are installed, and a central control room is set up so that people may have the situation timely in hand and take measures to control production. People in the era when Marx wrote "Das Kapital" did not have a chance to see this situation. As to automatic control devices added to a certain machine or to the whole mechanical system, they are something which people at that time could never have dreamt of.

If we compare this situation with the economic machines we are discussing, an economic machine is also made of several parts. The whole economic organization of society is composed of industrial and agricultural departments which produce materials and goods, transportation departments, different departments for the circulation of commodities and currency, service departments, departments of basic engineering construction and administrative departments. [paragraph continues]

All the components of a large mechanical system are closely connected with each other. Similarly the component parts of an economic machine are also closely connected with each other according to their nature and characteristics. For example, basic engineering like roads, water works and drainage are indispensable conditions in constructing a factory or a mine. A portion of the service departments also serves production. In modernized production, they are also indispensable. With these departments, the production efficiency of the whole society can be raised greatly. Materials needed for production and products produced have to be brought in and taken away by the transportation departments. When products are exchanged as commodities, they can be exchanged with other economic organizations or individuals only with the help of the commodity circulation departments (or of the distribution departments). Funds needed by different economic organizations come from the departments for the circulation of currency. The whole economic organization has to function under administrative departments, planning departments, financial departments and labor departments. ... We have not yet mentioned departments for foreign economy like foreign trade departments. Since the economic activities of a country cannot be isolated from other countries in the world but have to develop relations with foreign economies, departments for foreign economy are also indispensable. We can call a structure like this the macrostructure of the economic machine.

The microstructure of an economic machine means the internal structure of the economic organization. Any machine which forms a part of a mechanical system, or anything which is called an individual machine, is also inherently very complicated. An airplane can only be considered as a single machine, but it is composed of many components and many instruments which can further be divided into tens of thousands of parts. Besides, each kind of machine is different from another in the composition of its parts and the difference is even very great. For instance, an ordinary lathe is composed of the body, the main shaft head, the gearbox, the workbench and the tailstock. Each of these is itself a mechanism and has its own structure. For example, the main shaft head includes the main shaft, the bearing support and the motor. Tool carriages with cutting tools are mounted on the workbench. In the gearbox are gear shafts, gears and ratchets.

Gears and carriages are parts forming these components. A computer is made up of many electronic elements and printed circuits. A hydraulic press has a vertical pillar which can weigh up to several scores of tons yet it is only a part. A semi-conductor element on an electronic instrument is also only a part. There are also various kinds of microstructures inside a social economic organization.

No matter whether it is in the macrostructure or the microstructure of an economic machine, all the component departments are combined according to a certain mutual relation. A machine is not many parts and components piled up in a simple way, but is a whole formed by them according to certain relations. The theory of the structure of the socialist economy not only concerns the study of what departments the socialist economic organization is composed of but also concerns the study of the relations according to which these departments are combined. Some of these combinations can be well coordinated while others may not be so well coordinated. For example, two gear wheels on a machine must mesh together well. If not, either the machine cannot work at all, or it cannot work properly and will cause mechanical damage. Two economic organizations should also mesh together well. Otherwise, the economic machine will also be damaged. We may also make this comparison. Relative movement exists between some moving parts of a machine which come into contact with one another. Is there friction between our social economic organizations or within them? Yes, there is. In order to ensure the normal operation of a machine, we use wear-resistant materials to make parts where friction often occurs, or lubricate them with oil. There are also parts which have to be made with wear-resistant materials in our economic machine and which need lubricant.

When we study the organization of the whole national economy, we should study the necessity of the structure of each part and its status and function in the whole social economic machine. We should study which of the organs is necessary in the economic machine and needs strengthening and improving, and which is not necessary and should not exist for a long time. We should also study problems of the microstructure inside each of the economic organizations.

The problem of the macrostructure of the socialist economic machine includes what people now often call the economic system, that is, the problem of structure viewed from the aspect of production relations. The macrostructure of the socialist economic machine also includes the structure determined by the structure of social products and the technological structure. For example, in the central economic administration organ, what administrative organs of the industrial, agricultural, transportation and other departments should be set up is related to the status of each department in the national economy but different organs may also exist under the same circumstances. For instance, in some socialist countries, there are not so many industrial ministries but there is only one committee of industry and motive power with a few people working in it. However, in many socialist countries, there are many such industrial ministries. Therefore in the socialist economic machine, what organs exist is determined not just by one factor.

The microstructure of the socialist economic machine concerns what people often call the problem of economic administration. Factors which determine the problem of microstructural problems are different from those which determine macrostructural problems.

The study of the structural problems of the socialist economy is of great significance to our design of an economic machine which can better attain the aim of the socialist economy.

#### THIRD, THE THEORY OF THE MECHANISM OF THE SOCIALIST ECONOMY

The socialist economic mechanism is closely connected with the socialist economic structure. The theory of the structure concerns how the socialist economic machine is constructed and the theory of the mechanism concerns how the machine runs and why it runs this way. Is economics not the study of the laws of economic motion? The theory of the mechanism of the socialist economy is the study of how this economic machine runs according to different economic laws in socialist society. What is studied in the theory of the mechanism is more concrete than in political economics. The task of political economics is to discover economic laws, whereas the theory of the mechanism of the socialist economy is to make use of laws already discovered to explain the regularity of how an economic machine runs. This situation is similar to how ordinary machines are made by applying principles of mechanics, but there is still a special branch of study about how to use principles of mechanics to explain the mechanisms of machines. People who study mechanical engineering cannot study general mechanics alone.

We have mentioned above that the economic machine we are discussing has its macrostructure and microstructure. So it has corresponding macromechanisms and micromechanisms with which it functions. When we discussed the macrostructure of an economic machine, we pointed out that the economic machine was composed of industrial and agricultural production departments, departments for every consumption services and production services, transportation departments, basic engineering departments, departments for commodity circulation and currency circulation, educational departments, science and technology departments, sanitary departments...and combined administrative departments (planning departments, financial departments, departments for fixing prices, labor departments, statistics departments, information departments, departments for studying economic problems and economic policies). So in the theory of the structure of the socialist economy, the necessity for these departments to exist and their status in the whole socialist national economy will also be discussed at the same time. It will then inevitably involve the objective laws according to which these departments function. But in the theory of the structure of the socialist economy, our aim of discussing these problems is not to study these laws but to study their necessity and status. Such is not the case in the theory of the mechanism of the socialist economy. It has to study how each department functions in the whole national economy. It not only has to study its function qualitatively but also has to study its function quantitatively and to study the conditions and ways in which it functions. As we all know, it is not easy to carry out a thorough study of these problems and to understand them according to objective reality. We cannot do this if we do not attach due importance to these problems and discuss them seriously. Therefore we must have necessary discussion and debate in this field. Some valuable results of our debate will promote the development of the socialist national economy. In the past decades, people have made some progress in their understanding in this respect.

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In a socialist society, a correct understanding of the functions of different economic departments and different kinds of economic organizations is a prerequisite for people who are directly responsible for leading macroeconomics to do their work well. Say for instance, a correct scientific understanding of the functions of the educational departments and the departments of science and technology is indispensable for people who supervise the whole national economy because modernized production requires people with modern scientific knowledge and labor skills to carry out production and requires people with knowledge of modern administration for its scientific administration. Labor done by people who have received modern scientific and cultural education cannot be replaced by people who have not received such education. If we want to develop modernized production we cannot allow the educational departments to be in a backward state. The function of the mechanism of the educational departments in the economic machine plays its role through educated people who take part in labor in different economic fields. But they have to finish their education first and they can do this only after they have taken up their posts (or they may receive such education while they are working. Then they can apply their knowledge to their work while they are increasing their knowledge). This is why some relatively short-sighted people do not attach so much importance to educational work. Although it is not difficult to understand this mechanism of the educational departments, it needs further serious scientific study before we can have a deeper understanding of this kind of mechanism. Otherwise educational work will still not be generally valued. As to some more complicated mechanisms, it is even more necessary to study.

Let us take another example. The function of a bank has an important bearing on reforms we are going to carry out in the economic system, because the study of the different mechanisms of a bank in the economic machine and of its functions in the economic machine is an important topic in the theory of the mechanism of the socialist economy. In our economic work in the past, we did not attach due importance to the function of banks. The investment of an enterprise mainly depended on financial allocation. Fixed funds and circulating funds were held gratuitously. This had harmful influence on enterprises which practiced economy and paid attention to economic results. Now we should have a correct understanding of the function of a bank. There are things that may look simple but if we study their mechanisms seriously, we will find it difficult to give a clear explanation. For example, we should have a clear explanation as to what actual change in the national economy has occurred when a yuan of cash is put into the pocket of a resident and when it is absorbed into a bank in a savings account or in a fixed deposit account. But if we are not asked to give just a rough idea but to give a more precise quantitative concept, if we are asked to explain clearly this kind of mechanism and the detailed process of how savings function, it is not very easy to do so. I think many an economist may not be able to do this. Before the Cultural Revolution, I had some business connection with factories of popular science films and I once wished to make a popular science film with the theme of savings so as to provide some knowledge of economics for the film audience. I made known my wish for someone to write the scenario and for someone to write an article before the scenario. The work was announced but nobody responded and before long, the Cultural Revolution began and the work fell through. Even now I still hope that such a popular science film can be made, and I still hope that someone will write the scenario. I hope someone who has much knowledge of economics can cooperate with someone who knows how to write scenarios to produce such a scenario. I consider that this kind of work is of much significance today. If we can provide a clear and explicit, simple and easy and relatively more precise quantitative concept of this kind of mechanism, it will be beneficial to promoting the work of absorbing savings of residents and to determining the rate of interest for savings accounts and fixed deposit accounts (of course, there are other factors which determine the rate of interest).

The mechanism of activities within an economic organization is related to the nature of that economic organization. If what we discuss is a production organization, it is related to laborers, the means of labor (laboring implements and objects of labor) and various factors in production. The human psychological factor is evident. [paragraph continues]

From books concerning administration in foreign countries, we can see that they strongly stress the science of psychology and pay much attention to the science of behavior. We Marxists have all along been attaching even more importance to the positive role played by men and to the subjective initiative of men. But our study of the initiative of men and the mechanism of man's function in an economic organization is however very little. In studying the mechanism of activities within an economic organization, the function of technology is also very evident and the function of laws of natural science is also very important.

It is impossible for us to discuss in detail here various kinds of mechanism of the socialist economy. I only wish to say that in comparing the whole economic organization of the socialist society with a machine, the problem of mechanisms should be studied.

FOURTH, THE THEORY OF THE REGULATION OF THE SOCIALIST ECONOMY

The problem of the theory of the regulation of the socialist economy and the fifth problem, that is, the theory of the motive power of the socialist economy, can be said to be within the scope of the theory of the mechanism of the socialist economy. But I still deem it better to treat it separately for discussion.

The socialist economy is a planned economy. We can make the whole national economy develop in a planned and proportionate way. However, the normal running of a machine needs continual regulation. This is also true of a socialist economic machine.

What does the regulation of a machine entail?

When we talk about regulation, we have to talk about the regulator. The regulator of a machine is the man who operates and controls the machine. The regulator of an economic machine is the man who administers and leads the whole economic machine. If the man who operates a machine wants a machine to run harmoniously, he must first understand the running situation of the machine. For example, if the speed regulator, the driver, of a car wants to keep the car going at a fixed speed, he must know at what speed the car is going. If the driver finds the speed slow, he can open the throttle to increase the speed. When he finds that the speed is too high, he can then close the throttle to decrease the speed. There are two factors here. One is the speedometer which shows the speed of the car. The other is the device which opens or closes the throttle. This is for changing the speed of the car. The driver, the speed regulator, goes on with the regulating activities by means of these two kinds of measures. We may call this method of regulation direct regulation by the regulator.

There is another method of regulation. This is automatic regulation. It lets speed itself be the regulator for opening or closing the throttle. This is what we usually call automatic control or automatic regulation by means of feedback. Even automatic regulation needs a regulator. The regulator is also a man, because the aim of automatic control or regulation is decided by men and the automatic control device or automatic regulation device is installed by men. Let us take a toilet flush as an example. The aim of the design is to maintain a certain capacity of water in the tank. It makes use of the buoyancy of water to raise the float in the tank to a certain height at which another device stops the water from entering the tank. Manual regulation and regulation by means of mechanical feedback are only two methods of regulation by which men regulate machines.

When we talk about regulation, we have to talk about the aim of regulation, situations under which we must take regulatory measures, the means of regulation, and so forth. This is true of ordinary machines. It is also true of the economic machine we are discussing. [paragraph continues]

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To regulate the economy, we must also have different kinds of instruments and meters to register the economic situation first. Market situations, different kinds of statistics, investigation materials and reports submitted by different economic organizations to economic administrative organs are different kinds of instruments and meters in the economic mechanical system. A regulator finds out from these whether it is necessary to make any regulation.

There are different methods of regulation. They include economic measures, administrative measures and even spiritual or educational measures. Regulation is the utilization of these measures so that the economic movements tally with the planned aim. After a plan is correctly conceived, a great amount of economic administrative work is of a regulatory nature. A certain center regulates economic movements according to information obtained pertaining to the ongoing situation of the economic machine. This is the method we usually employ and it is indispensable. But in the current discussion of economic reforms, many comrades have an idea. It is to have an automatic regulator of the economy. For example, we may have automatic regulation by means of prices which are affected by relations of market supply and demand, by means of more or less profits of enterprises and by means of more or less bonus and welfare for staff and workers. If we do not adopt such measures for automatic regulation, we shall have to rely on investigation and statistics to find out situations, and then study what has actually happened and what measures should be taken. Afterwards a decision will be made and implemented. We wonder how much time is needed before any regulation can be made. This way of reflecting and solving problems is often very slow. Besides, the regulatory measures taken may not be effective, so the results may not be satisfactory. Therefore although we still have to use this kind of direct regulation, we must also use indirect regulation by means of some automatic regulatory mechanisms.

The regulatory measures we have mentioned above are all indispensable. We may take administrative measures to regulate economic work, that is, to stipulate what is permissible and what is not by means of administrative instructions issued by state organs or administrative organs or through making laws and through judicial work. At present, this kind of regulation is indispensable in all socialist countries. It plays a very important role. A socialist country sets up different kinds of administrative organs for economic administration, enacts many economic decrees and sets up respective judicial organizations. These are all necessary. In the past few years, our country has promulgated the forest law, the law of environmental protection and others. The forest law has stipulated many decrees concerning forest protection, tree-felling and reafforestation. The law of environmental protection stipulates that production which is not in conformity with the requirements of this law shall be stopped. It also stipulates measures to be taken by enterprises which may cause pollution of the environment and so on. There are still many economic laws to be made. After these laws are made, they should be implemented by judicial power, and so on. We will never deny administrative and legal regulatory measures. What is more, in addition to administrative and legal measures, we also resort to spiritual measures which include doing ideological and educational work among cadres and the masses and giving them spiritual encouragement, and so forth. Such spiritual measures are also effective in regulation. Administrative measures, legal measures and spiritual measures are not in the same category as economic measures. They are all necessary, but we want to lay stress on economic regulatory measures. What we mean by economic regulatory measures is to rely on the economic interests of each economic organization and each individual in the socialist society, to make use of prices, credit, wages, taxes and subsidies in the state finance, and other methods to make the person concerned automatically act in line with the aim originally set and to automatically regulate his activities once he deviates from this aim.

Of course, economic measures are not completely separated from administrative measures and spiritual measures. Usually they are used together. Each type of measure has its own function. Only when they are used in concert can we obtain the expected results.

Incidentally I would like to add that plans, market and regulation are organically connected. Plans stipulate a certain degree of development for each department and each undertaking and stipulate the proportional relations among different departments and among different undertakings and the progress of each item of work. If the plans are correct, and if they are in conformity with objective situations and can encourage people to make an effort, the quotas fixed by them are then the aim our socialist economy should strive for. Our socialist economic movements should advance toward this goal. Therefore, regulation of the national economy is to make our socialist economy advance smoothly on the road leading to this goal. Without plans, there would be no regulation for the national economy and there would be no conscientious regulation. The socialist economy is an economy regulated by plans, and the regulatory measures are mainly economic ones. These economic measures depend on market mechanisms in addition to financial measures like taxes and subsidies which are closely combined with administrative measures. We think that the best way to clarify the relations between plans, market and regulation is to study separately the theory of planning under the socialist system, the theory of marketing under the socialist system and the theory of the regulation of the socialist economy we are discussing here. We should study these three kinds of theories before we try to clarify the relations between them. We think that only in this way can we explain the connections between plans, market and regulation more satisfactorily.

### FIFTH, THE THEORY OF THE MOTIVE POWER OF THE SOCIALIST ECONOMY

A machine needs motive power and the motive power consists of different kinds of fuel or other natural energy (such as direct solar energy, hydraulic power, geothermal heat, nuclear energy, and so forth). Motive power also includes the converted form of various fuels and other energy sources -- electricity. This material energy is also consumed in our economic organization, but the motive power in our discussion of the theory the motive power of the socialist economy does not consist of such real fuel or other sources of energy. The motive power we are talking about here is man's subjective initiative. We have already mentioned above that economic activities are in the natural course of society. Social production is engendered by man, controlled by man and regulated by man. It is a material transformation process between man and nature. Without man's initiative, there would be no socialist production of material goods, and there would be no economic life of man. However, under different circumstances, a man's initiative is quite different. If he is a serf without the independent rights of man under the feudal system or an employed slave oppressed by capitalists under the capitalist system, the role of his subjective initiative in socioeconomic life is manifested in one way, but that of laborers under the socialist system is manifested in another. Even under the same socialist system, the display of a man's subjective initiative depends on different objective and subjective factors. Therefore, the problems to be studied in the theory of the motive power of the socialist economy are: what circumstances under the socialist system are closely related to this kind of subjective initiative and what circumstances restrict and determine it? How great is each kind of initiative under socialist conditions? How can initiative be brought into full play? To what extent can initiative be brought into play under certain circumstances? There are many complicated problems like these to study here.

Do we agree that under the socialist economic system a man has a high degree of enthusiasm, creativeness and devotion to his work? We have all along agreed on this. This is the natural character of laborers who are not oppressed and exploited. The theories of economic administration have all along been the following: One of them considers that a man is born lazy. He has to be controlled, put under surveillance, threatened, and tempted because "a man is born lazy." Another theory considers that "a man is born diligent" and that a man is willing to labor. There is still another theory which considers that a man is born without any fixed character. I have read a book concerning economic administration written by the bourgeoisie in which this problem is still discussed. They call the theory that a man is born lazy the X theory and call the theory that a man is born diligent the Y theory. Whether a man is born lazy or diligent is a very old problem. [paragraph continues]

The Utopian socialists said much in this respect. Marx and Engels also said much about this problem in their early works. For instance, in Engels "Social Reform Movements on the Mainland," this problem was mentioned. In Marx's "Outline of a Critique of Political Economics," this problem was also mentioned. We consider that a man is willing to labor. Particularly when labor itself has become free labor, has become creative labor and has become labor controlled by the laborers, he has enthusiasm. The question is under what circumstances can this kind of enthusiasm, creativeness and devotion to his work be developed and under what circumstances can they not be developed. In our society today, this is really a question. In our society today, quite a few people actually lack enthusiasm, creativeness and devotion to their work. What are the causes of this? It has to do with the economic system, economic policy, ideological and educational problems, and so forth. This is an abnormal phenomenon. Much change has taken place in the past 3 years. It has changed for the better. People are looking for ways to further increase the subjective initiative of men and to increase the motive power to develop the socialist economy to a much greater extent. We have to do a lot of work suiting the remedy to the cause. Our general guiding idea is that the motive power of the socialist economy should be much greater than any other system in history. This is the superiority of the socialist system, but the question is how to give better play to this superiority.

Here we should attach due importance to the material interests of the laborers, implement the principle of distribution according to work and ensure the socialist enthusiasm of laborers by economic means. This is an essential problem in the theory of motive power in the socialist economy. As to the problem of distribution according to work, it was discussed at many meetings in 1977 and in 1978, which greatly promoted the theoretical criticism of "the gang of four" and the work of bringing order out of chaos. However, the theoretical problem of distribution according to work has not yet been properly solved. Some theoretical problems were not discussed in those meetings. One of them is that the problem of distribution according to work is not an internal problem of an economic organization. People will compare how the principle of distribution according to work is implemented in different economic organizations. Such a problem was mentioned but not discussed. Suppose there are two enterprises A and B. The objective conditions of A are very good while those of B are not. With different amounts of labor, a man in enterprise A can get more bonus than one in enterprise B. Viewed from the principle of distribution according to work, such a case is not quite ideal. To study the theory of the motive power of the socialist economy is to study whether such circumstances as we have just mentioned will affect the motive power or not. If they do, what is to be done? In implementing the principle of distribution according to work, the most profitable way to develop the socialist economy in handling differences of income among laborers has yet to be solved. This is also an important problem affecting socialist economic power. We have not studied these problems sufficiently.

What affects the motive power of the socialist economy is not only the economic interests of economic organizations or individuals. There is also the problem of how to ensure that the display of enthusiasm of an economic organization or individual is not hindered. This concerns many problems of the economic system. At present, our country is considering the problem of expanding the decisionmaking power of enterprises, the problem of democratic administration in enterprises and also the problem of how to properly handle the limits of authority of the central government and local administrations. The consideration of these problems is to enable enterprises, local administrations and different departments of the central government to do their work more easily and with less restrictions, and to give better play to their enthusiasm.

Since the problem of expanding the decisionmaking power of enterprises has been much discussed lately, I do not want to repeat it here. I only want to say something about the problem of individual enthusiasm. I have the impression that today even a university graduate thinks very little about his work but much about his livelihood. This is not in conformity with the natural character of socialist society. [paragraph continues]

We sometimes blame schools for this situation. Indeed schools have not paid enough attention to fostering students' devotion to their future undertakings. Consequently, after a youth has spent several years studying at school, he has not established the ambition of doing something great in socialist construction. Our educational work has some shortcomings in this respect. But if we consider the whole problem, we cannot lay the blame on schools because at present it is really not easy to succeed in doing one or two things. There are various kinds of obstructions and sometimes we even have to take risks. It is very difficult even for a man with a strong devotion to his work to succeed in doing something, so his devotion to his work will thus be dampened. I saw the play "The Future Is Beckoning" not long ago in which there was an actor's line like this: "Ah! It is indeed difficult to succeed in doing something!" At that, the audience became animated. That showed the masses were of the same opinion. I think the fact that a man's devotion to his work cannot be more fully brought into play is a manifestation of an imperfection in the socialist system. To put it another way, I think we may say that under the conditions of socialism, a system which cannot give fuller play to a person's devotion to his work is an unsound socialist system. If such a case exists, we must carry out necessary reforms. We must work on systems for some solutions to give better play to personal devotion to work in accordance with the needs of society and the state and to bring forth first of all laborers' enthusiasm, creativity and devotion to their work at their posts. Besides the economic factor, the problem of giving play to personal enthusiasm includes the political factor, the organizational factor, the ideological factor, the psychological factor, and so forth. Viewed from the political factor, if laborers in different economic organizations under the socialist system have really become masters, they will play a much greater role. This is one of the reasons why we now advocate carrying forward socialist democracy. Viewed from the ideological factor, it depends on a man's understanding and consciousness. If a laborer is without the attitude, which one should have in a socialist society, of giving full play to his enthusiasm and creativity like a master, but takes the attitude of an employed laborer toward the cause of socialism, he can never do his work well. Viewed from the organizational factor, if our national economy is well organized, that is, if laborers in different economic fields are combined better with the means of labor and the object of labor, and different links like production, distribution, exchange and consumption are properly together, a man can play a greater role, otherwise he cannot do so. The psychological factor also plays its part. The same man doing the same kind of labor sometimes feels tired and sometimes does not. He sometimes feels happy and sometimes does not. This phenomenon is sometimes related to a man's socialist consciousness but sometimes the latter is not the cause. Concerning this phenomenon, there are still many psychological problems which need studying. We must say that labor psychology and social psychology are also necessary. Here we still have not attached due importance to psychology. The study of the psychology of man itself is wanting. On the contrary, there are many psychological problems to which the bourgeoisie attach much importance. For example, some Japanese capitalists store the birthdates of workers in computers and give them gifts on their birthdays. Do the capitalists show concern for the worker's lives? No, what they care about are their profits and how to make the workers work more for them. They make use of men's psychological factor to make more money. Of course, we do not want psychology of that kind. But can we make people happier and more pleasant? Should leaders of factories be more careful in this respect in their speeches? Should we pay attention to this point in handling affairs in factories? I think we should make the workers happier. Even the environment of a factory also affects the psychology of laborers. For example, is it better to have our factories cleaner or to take the attitude that cleanliness does not matter and let them become dirty? This involves the problem of psychology. Some companies in Japan use this slogan: "A happy and healthy family is the motive power for staff and workers to do their work better." In order to increase this kind of "motive power," they dish up things like prizes for happy families. [paragraph continues]

When the prizes are awarded, families' dependents are also invited. We do not want such stuff as theirs, but we should show concern for the people's lives in different respects, including showing concern for their family lives. We should show the kind of concern which the proletariat and the laboring people show to their class brothers. At a tea party held last year by the editorial department of ZHONGGUO FUNU, I sat at a table together with some comrades doing work for the benefit of women. I suggested to them that we should set up a spare-time socialist housekeeping institute in Beijing at which people could give talks on Marxist theory concerning families, on how to improve family relations, on how to properly arrange the economic life of families and on how to properly carry out family education, and so forth. People could also give talks about scientific knowledge, technical knowledge and other knowledge in family life. I think that showing concern for people's lives includes showing concern for their family lives. In a family, . should not practice the patriarchal system but should have more "democracy." This "democracy" is not democracy of the state or democracy of the system. It is the borrowed or extended meaning of the word democracy. It means that each should respect the opinion of the other. If we lay more emphasis on "democracy," politeness and civility, it will be beneficial to the whole social life and helpful to increasing the motive power of the socialist economy.

### SIXTH, THE THEORY OF THE EFFECT OF THE SOCIALIST ECONOMY

There are differences in the performance of machines. This is also true of economic machines. The result of an economic machine is how well it attains its aim. The effect of the economic machine of the whole socialist economy is to what extent it satisfies the ever increasing needs of society. Whether the result is good or not is again determined by the economic result viewed from the whole society under the socialist system.

What is the economic result we usually speak about? Simply, it is the relation between labor consumption and the result produced. The economic result of the whole society is the relation between labor consumed by the whole society and the result it produces. Each part of the consumption of labor in the economic result can be analyzed to see if its consumption is excessive or unnecessary. In the case of coal consumption, the amount of national income produced by the energy from each ton of standard coal consumed in the whole national economy in our country is much less than that of Japan. The ratio of the two in 1977 was one to two point something. It was less than one to three. From this we can see that the efficiency of our present economic machine is not high. This has the most important bearing on our economic work. The efficiency of our machine is now increasing.

Now we can discuss what the decisive reasons for good or bad results are. We think there are basically two decisive factors. An economic machine includes organizations like factories and mines which participate in direct production. In factories and mines there are implements of production like real machines. Implements of production involve the problem of quantity. Besides, some machines are advanced and others are backward. There are also various kinds of laborers in factories and mines. They also involve the problem of quantity and the problem of high or low level. Therefore the efficiency of an economic machine also includes the efficiency of real machines and techniques. We may call this tangible efficiency. But this economic machine of ours also includes the efficiency of administration and organization, that is, intangible efficiency. The efficiency of this economic machine of ours is determined by two factors, the tangible and the intangible.

The concept of "efficiency" should be made known to all households. It should especially be kept firmly in the minds of economic workers. We should really pay attention to efficiency. I am afraid we should repeat this to economic workers every day, every month and every year. It will not do, if people who are doing economic work do not pay attention to efficiency. At present, we are shifting the emphasis of our work and centering our work on the economy. [paragraph continues]

If we do not deepen our understanding of efficiency, I am afraid the four modernizations cannot be realized as scheduled. The problem of paying attention to the economic result itself is included in the four modernizations we now talk about. There are things unique to socialism in the economic machine and there are things not unique to socialism in it. In raising efficiency and in administering socialized large-scale production, advanced capitalist countries today indeed know more and do better than us. However, we must admit that we can attain a higher efficiency under the socialist system than that in the capitalist countries.

We have mixed efficiency with economic effect in our discussion above. Strictly speaking, we should differentiate one from the other. This means we should differentiate the concept of economic result from the concept of labor productivity. The former has different contents under different social systems but the latter is the same under different social systems. The economic result under the socialist system is different from that under the capitalist system. The economic result under the capitalist system is connected with the economic aim of capitalism so it is in keeping with the profit rate of the capitalists. The economic result under the socialist system is to obtain the same amount of end products with the least labor consumption. This is in keeping with the aim of a socialist economy. The economic result under the capitalist system is primarily the economic result of the activities of capital, while the economic result under the socialist system is primarily the economic result of the whole society. The socialist economic result we are talking about here is still closely connected with efficiency. No matter whether we are speaking about the good or bad result of the capitalist or the socialist system, it is in direct proportion to the level of labor productivity. But it is still not enough just to clarify the concept of the socialist economic result. It is also necessary to study what factors cause a difference in the socialist economic result. Here many complicated and concrete situations are involved. At the same time, we must also study how the economic result of the socialist system should be calculated. Since there are great differences in the economic result among different departments and different kinds of economic work, there are numerous complicated problems in the methods of calculation. When we have discovered the factors which determine a good or bad economic result and know how to calculate the economic result accurately, we then know how we should start to increase the socialist economic result. All these are problems to be studied in the theory of the result of the socialist economy.

I have already discussed much about problems concerning the theory of the result of the socialist economy on other occasions and am ready to go into details separately. So I will not speak too much about it today. Here I only wish to add one more point, that is, we look upon the economic result of the whole society as fundamental while the basis of the economic result of the whole society is the economic result of individual economic organizations and individual economic practice. Therefore we should attach much importance to the economic result of individual economic organizations and individual economic practice. At the same time we should also study how the economic result of individual economic organizations and individual economic practice affects the economic result of the whole society. The economic result of the whole society is assessed by means of the end products. In order to obtain end products, it is necessary for individual economic organizations and individual economic practice to produce large quantities of intermediate products. If these intermediate products are converted into end products, then the achievements in producing these intermediate products are included in the end products. If a part of some intermediate products cannot be converted into end products this year or next year, and cannot finally be converted into end products, these intermediate products cannot be calculated as a part of the economic result of the whole society. If some steel ingots produced cannot be turned into steel products and cannot enter the consumer field, they will be spoiled after a long duration. If they cannot be finally converted into end products, they will eventually be wasted. In our national economic statistics, only the annual output value is given and the rejected output value is not indicated. If end products are used as a means of assessment, the latter can also be indicated.

The six theories mentioned above are mainly discussed in their objective aspects. As for common machines, if their subjective aspects are discussed, we have to take into account things to be done like their design, manufacture, repair, maintenance, renewal, and so forth. It is the same for economic machines. Although fine designers in our machine industry are few, there are some. Our economic machine is in even greater need of fine designers. The reason is that we are now only studying ideas and theories of economic design. In the future, we are going to have a large number of designers good designing economic machines with rational structure and high effi-cy. Both the study of systems and the study of structure being at out in our country fall within the scope of design. Besides the problem of design, there are problems like transforming the existing machines and renewing them. There are no economic machines in any country which are not renewed after several years. Transformation of economic machines is not only a normal phenomenon but also should be carried out frequently. Of course, such transformation does not imply making changes every day. Otherwise there will not be stability. At present, we are very determined to carry out the reform of economic systems. Our determination is unprecedented. The scale of investigation for such reforms is also unprecedented since the founding of our country. We should carry out large-scale, planned and systematic investigation of problems of this kind. The central government and local authorities should persist in doing so.

This machine of ours belongs to the Chinese laboring people. The machine is operated by the state and is centrally controlled. We economic workers are staff officers of this control chamber and shoulder very great responsibility. We must do our work well.

I would like to repeat that the problems I have talked about today are only brought up for comrades to discuss. I have not been able to study them properly. There are bound to be mistakes in many places. I hope that comrades will not hesitate to point them out in their discussions.

### GUANGMING RIBAO ON PRODUCTION GOAL DEBATE

HK201301 Beijing GUNAGMING RIBAO in Chinese 31 Jan 81 p 4

[Article by Ma Dean [7456 1795 1344]: "Two Historical Debates on the Slogan 'Production for Production's Sake'"]

[Text] The purpose of socialist production is to satisfy the people's needs. This is becoming more and more obvious theoretically and in practice. In the present discussion on the goal of production, it has been correctly pointed out that in our economic construction, there exists a certain tendency toward "production for production's sake." This is detrimental to socialist construction. Actually, the slogan "production for production's sake" has already been raised in the history of political economics. Under various historical conditions, Marxists took different attitudes toward this slogan. This has aroused our attention in our study of theoretical problems.

Bourgeois classical economist David Ricardo had hoped to realize "production for production's sake." Marx said: "Ricardo considered the capitalist mode of production the best for production and for creating wealth. For his times, Ricardo was absolutely correct. Asserting that production is not the goal itself, as the sentimentalist opposers of Ricardo did, amounts to forgetting that production for production's sake is nothing but the development of human productivity and thus, the goal of developing the wealth of human nature itself." For this reaons, Marx praised Ricardo's idea as "scientifically honest" and "scientifically necessary." ("Collected Works of Marx and Engels," vol 26, part 2, pp 124-125) Marx gave credit to Ricardo for this idea. The goal of capitalist production is surplus value. The capitalists cannot have any production goal other than grabbing surplus value. Ricardo wanted production to be for production's sake. This, to a certain extent, is a criticism of production for surplus value's sake in capitalist society.

Richaro lived during the period of the rise of capitalism. Historically, the bourgeoisie was still a progressive class. Thus, as a bourgeois economist, he was able to demonstrate "scientific honesty" by proceeding from a scientific stand. Marx's evaluation of this was: "If Ricardo's views, on the whole, were compatible with the interests of the industrial bourgeoisie, this was solely because the interests of the industrial bourgeoisie conformed to the interests of production, or in other words, conformed to the interests of developing human labor productivity and took this as the limit. Whenever the bourgeoisie came in conflict with this development, Ricardo unscrupulously opposed the bourgeoisie, as he opposed the proletariat and the nobility on other occasions." (ibid, p 125)

In the above sense, "production for production's sake" is scientific—that is, as Marx said, it is the "development of human productivity" or "the goal of developing the wealth of human nature itself." However, this kind of "production for production's sake" is an abstraction of various kinds of social production in human society. It does not exist in its pure form. In capitalist society, as Marx said: "In order to ensure individual welfare, the development of the whole of humanity is hindered." (ibid, p 124) As a result, production fulfills the need of a small number of capitalists to grab surplus value but does not serve the needs of developing productive forces.

During the discussion on socialist economy in the Soviet Union, (Yarochenko) also raised the point of "production growth for production growth's sake." Stalin sternly criticized this view. He said: In Comrade (Yarochenko's) view, production was transformed from a means to an end, while the goal of ensuring the greatest extent of satisfaction with the constantly growing material and cultural needs in society was eliminated. Thus, production growth is for production growth's sake; production becomes an end itself and man and his needs disappear from Comrade (Yarochenko's) sight." "Therefore, it is not a bit surprising that man as the goal of socialist production has disappeared and the little Marxism left in Comrade (Yarochenko's) 'concept' has also vanished." ("Selected Works of Stalin," last volume, p 599)

Stalin's criticism of (Yarochenko) and his discussions on the goal of socialist production have great significance. In socialist society, the absurd phenomenon of the interests of the development of the whole of humanity being subordinated to the individual welfare of a small minority no longer exists. The proletariat's interests are totally compatible with the interests of social development. The proletariat does not have selfish interests which are contrary to the interests of the whole society. The establishment of the system of public ownership of the means of production has prevented social production from being subordinated to the selfish interests of any class and has made it serve the welfare of the proletariat and all the working people. Thus, the purpose of socialist social production is to satisfy the people's needs. In socialist society, if we forget the changes in historical conditions, continue to stop at a general and abstract slogan such as "production for production's sake" and take this as the goal of socialist production, then we are wrong. In doing so, we will be negating the historical stages of production goals and we would not be able to reflect the essence of socialist social production. The result would be, as Stalin said, that "man and his needs" vanish from our sight. The goal of production is the purpose of the movement of economic relations. If man as the principal entity in these economic relations disappears, it will be impossible for economic relations to exist.

### GUANGMING RIBAO CITES ZHOU ON PARTY'S MASS LINE

HK200300 Beijing GUANGMING RIBAO in Chinese 19 Jan 81 p 3

[Article by Hu Hua [5170 5478] and Lin Daizhao [2651 0108 2507]: "Marxists Who Are Linked With the People by Flesh and Blood--Studying the Thesis Regarding the Party's Mass Line in the 'Selected Works of Zhou Enlai'"]

[Text] The life of the great Marxist Zhou Enlai is an example of one that served the masses wholeheartedly and was linked with the people by flesh and blood.

The study of the thesis on the mass line from the "Selected Works of Zhou Enlai" has a deep significance, theoretically and practically, in setting up the party's work style and implementing the party's mass line.

1

The mass line is a fundamental line in our party's work. That Comrade Zhou Enlai paid full attention to the implementation of the mass line and deemed it a basic guarantee for success in all aspects of the work went as far back as the days of the democratic revolution. He repeatedly stressed that the party "must not ever be separated from the masses." ("Selected Works of Zhou Enlai," p 125) The party "should have faith in the power of the masses." (p 128) In military work, he considered it very important for guerrilla warfare "to be closely linked with the masses." (p 15) In the work of building the party, special attention should be given to the work at the grassroots level: "We must see to it that wherever there are the masses, there is our work," and we must "make our party one that is of the masses." (pp 111, 13) In the work of the united front, Comrade Zhou Enlai stressed that we should "draw a big circle," and "make hundreds of million people united within it." (p 327) In particular we should unite with the great majority of people who are noncommunists and cooperate with them. We should not "create a gap" between communists and noncommunists, and between members and nonmembers of the CYL. (p 326)

Comrade Zhou Enlai considered that in order to implement the party's mass line we must oppose the bureaucratic work style. In an article "Resolutely Wipe Out All Nonproletarian Ideology Within the Party" published in November 1928, he sternly criticized "all the mean practices of various types of politicians and bureaucrats" within the party. He also criticized "passive slowdowns" and "the mentality of the wage revolutionary." (pp 10, 11) He called on the whole party to enhance proletarian ideology and resolutely oppose bourgeois ideology. During the Yanan rectification movement in the days of the war against Japanese aggression, Comrade Zhou Enlai attacked the phenomena of carelessness, empty talk, egotism, bureaucratism, formalism, red tape, routinism, degenerate thought and destruction of the traditions of the party and the army, and again stressed the standpoint of the masses and the mass line. What is still more commendable is that he "practiced what he preached" and set a personal example. He laid down his own "rules on self-cultivation" and stressed "learning from the masses and "leading a collective life," (p 125) thus setting an example in opposing bureaucracy and implementing the party's mass line for the whole party.

During the days of the war of liberation, Comrade Zhou Enlai wrote many expositions on the party's mass line. He successively gave a number of important speeches including "Unite the Broad Masses and March Forward" and "Learn From Mao Zedong."

The question which must be clearly understood in the course of implementing the mass line is how do we interpret the relationships among the masses, the classes, the political parties and the leaders. Following the great victory of the people's liberation war, both the party and Comrade Mao Zedong earned a great reputation among the people. Some of the masses together with the propaganda departments asserted that Comrade Mao Zedong had been a genious "from birth," and that he had been a hero in opposing feudalistic superstitions since childhood and that he had always been an infallible leader. To counter this kind of tendency, while highly praising Comrade Mao Zedong's achievements, Comrade Zhou Enlai led the masses in learning correctly from the leader. He pointed out: "We never should look at Mao Zedong as a leader who came into the world by chance, who was a born leader, who is mysterious and who cannot be imitated." He said, "Our leader grew up among the masses," "his greatness lies precisely in his link with the masses as well as in his representing the masses," and he was "linked with the Chinese people by flesh and blood."

(p 332) Never should be "look at Mao Zedong as an isolated god." (p 332)

The leader of a proletarian political party is a member of the party and he must act as an example in implementing the party's democratic centralism. Even when the party leadership opinion differs with members of the party and the masses, "It must accept the decision passed by the majority." (p 337) Comrade Zhou Enlai earnestly said: "We have seen there are people both in the old society and even in a society ruled by the people, who, once they have made some progress, feel so great about their past, believing that they are "sages from birth." They claim that they are people without errors and shortcomings. People praise them and they love it. This is very dangerous." (p 334) Is it not because of this that we have seen our country's political scene long dominated by centralism, with one person alone having the say and one person alone able to change the party's line, thus doing away with the national legal system?

Owing to conditions set forth by history at that time, coupled with the question of a personality cult then still in its embryonic stage, Comrade Zhou Enlai made some excessive praise while expounding on the role of a leader. However, at a time when praise from within and without the party abounded, his words opposing deification of a person sounded a warning to the whole party. This kind of penetrating insight has rarely been matched.

2

Another important aspect of the implementation of the party's mass line is allowing the expression of different views and holding free discussions. Just before the establishment of our country, at the moment of imminent victory in the people's war, Comrade Zhou Enlai emphatically elaborated on this question.

Comrade Zhou Enlai treated "develop democracy" and "listen attentively to the views of the masses" (pp 132, 131) as a prerequisite for implementing the mass line. He enthusiastically advocated "freedom of thought" while allowing "people with different views to come to discuss and debate with us." (pp 341, 329)

The epistemology of dialectic materialism notes that correct knowledge is derived from practice and develops through debate. Comrade Zhou Enlai said: "We should understand that only through having people with different views coming to discuss and debate with us can truth be made brighter. According to the original Greek word, dialectics means to carry on a war of words; "dialectics only speaks of unity of contradictions, and only through debate can we find more truth." Therefore, if we "will learn, we will have to listen to different views and then sum up these views." "Even if you have many correct views, you still have to listen to others." Only by absorbing others' good views can one's thought be more developed." (p 329)

The opposite of advocating free discussions is practicing arbitrariness. Comrade Zhou Enlai asked, "What is arbitariness? It means only that what I say is right and what others say is wrong." "If your views are sacred and inviolable, who can dispute you?" (p 329) The "three practices," namely, seizing on someone's weak point, labeling someone and brandishing a big stick, together with other practices such as preventing the free expression of views, stifling thinking and silencing the masses, basically run contrary to our party's mass line.

Comrade Zhou Enlai gave a comprehensive exposition on the party's policy of "freedom of thought." He pointed out: "In our new democratic country, the people have ample freedom of thought. As long as it is not reactionary, any kind of thinking is allowed to exist. Not only is progressive socialist and communist thinking allowed to exist, even thinking that is religiously inclined is allowed to exist." "We educate everybody with our thinking," "but we also permit thinking other than ours to exist." (p 341) This is what a proper attitude should be. In the past, we conducted one political movement after another, and consequently a lot of people were wronged, which, as practice shows us, was caused by arbitrariness and banning "freedom of thought," was it not?

Naturally, practicing free discussions and allowing different views to be expressed does not mean that just any kind of view is correct. There are correct ones, not very correct ones and erroneous ones. Comrade Zhou Enlai said: "We should listen to all kinds of views, but we must also reflect on them." That is to say, we must listen to all kinds of views, but we must also distinguish right from wrong. Only in this way can we sum up all those correct views of the masses and be able to act as true representatives of the people.

3

During the period of the democratic revolution, Comrade Zhou Enlai not only profoundly expounded a number of important questions regarding the party's mass line in theory, he also gave many important views on how the implementation of the party's mass line was to be guaranteed by the system.

Concerning the question of how to implement the mass line in the army, Comrade Zhou Enlai suggested setting up a armymen's committee in the army on a trial basis. In September 1929, in the "instruction letter from the Central Committee of the Chinese Communist Party to the front committee of the fourth army of the Red Army," he approved the armymen's committee of the Red Fourth Army. In March 1948, in a draft copy prepared for the Central Committee of the Chinese Communist Party's instructions, he put forth concrete points on the basic principles concerning experiments in organizing armymen's committees in the army. On the one hand, this form of organization fully enhanced the armymen's initiative. On the other hand, the armymen still worked under the army commander's leadership. Thus, it was an effective way to implement the mass line in the army.

With regard to factories and enterprises, Comrade Zhou Enlai proposed a tentative plan for a factory management committee to be set up. The committee would be composed of workers' representatives, management personnel and engineers, and its function was to discuss all the questions concerning a factory, such as the questions of production policies and plans, and so forth.

Concerning the party's work in the white areas, Comrade Zhou Enlai demanded: The setting up or restoration of the party organizations in the white areas must be carried out in accordance with the principle of working from the grassroots level to the higher level. That is, the setting up of the party organization at various levels must be carried out from the grassroots level, and "the upper level organizations can only be set up" (p 20) after work at the lower level has expanded. In this way we did away with the formalistic practice of sending a few people to the white areas to set up provincial committees which were nominal at the time of setting up, or restoring party organizations in these areas.

Concerning the rectification of the party's work in the land reform, Comrade Zhou Enlai summarized the experience of rectifying the party organization in the old liberated areas and semi-old liberated areas during the period of the war of liberation. He proposed: "People outside the party should be invited by the party branch to attend the party's meetings," so that "the method of rectifying party more by uniting members of the party and people outside the party to hold meetings" can be implemented. Furthermore, he required, that "all party branches except those in the newly liberated areas, which were not yet consolidated, should be made open," "in order that the good and bad phenomena within the party be exposed to the masses, that the party be supervised and its actions either criticized or approved." (p 295)

The spiritual essence of Comrade Zhou Enlai's proposal to set up a management and expervision system of the masses is to practice democracy and oppose bureaucracy. Just before the victory of the democratic revolution, Comrade Zhou Enlai repeatedly emphasized: "We should not retain the bad things of the bureaucratic organizations when they are being taken over. However, we should transform them." (p 36'.)

It is a pity that, owing to interference from the left, these good views of Comrade Zhou Enlai have not been put into practice. The people's right to be the masters of their own house has not been adequately guaranteed since the establishment of our country. Consequently, the 10 years of calamity that ensued was fundamentally against the interests and wishes of the people. While we are fostering democracy and carrying out reform in the political and economic systems, Comrade Zhou Enlai's views put forward in those years still have guiding significance for today.

# RENMIN RIBAO COMMENTATOR ON CADRES' BUREAUCRATISM

HK191224 Beijing RENMIN RIBAO in Chinese 14 Feb 81 p 1

[Text] The party Central Committee has set forth a policy of major importance, calling for further economic readjustment and further political stability. The implementation of this policy is a top priority task for the whole party. All Communist Party members, especially leading cadres at all levels, must contribute their utmost to implementing this important policy.

It is a very arduous task to achieve further readjustment of the national economy. The problems and contradictions now confronting us are indeed very numerous and complicated. However, our party has never evaded contradictions or dodged difficulties. It has always advanced by meeting difficulties head-on. "The Red Army fears not the trials of the Long March, holding light ten thousand crags and torrents." This is a vivid portrayal of our party's heroic spirit--boldness in overcoming all enemies and difficulties. Many contradictions and problems are facing us. However, this is not entirely a bad thing. As long as we seek truth from facts, do painstaking work in providing guidance and adopt a down-to-earth attitude in solving these contradictions and problems, we will attain a great breakthrough, enable the national economy to develop on a sound track and the entire cause of socialist construction to take on a new look.

We are now at an important juncture. All Communist Party members must seriously study and understand the guidelines of the work conference of the party Central Committee in order to really unify their thinking on the basis of the policies and line of the party Central Committee. In addition to this, they must also try their best to implement the party's policies and line at their respective work posts. They should display vigor in and pay attention to their work and be determined to set a good example for others. In particular, this is mandatory for leading cadres at all levels, especially senior and middle-ranking cadres. The party's backbone is made up of senior and middle-ranking cadres. Thus, whether the party can achieve its cause depends on the performance of its backbone.

It is important to display vigor. At present, many Communist Party members and party cadres have adopted a very good mental attitude. Realizing their heavy responsibilities, they work industriously and earnestly. Despite their old age and poor health, some comrades are still working with vitality and a dashing spirit as they did during the revolutionary war years and the early postliberation period. However, there are others who lack vigor and are in low spirits. They have become bureaucratic, they work in a lax, undisciplined and dilatory way. They consider themselves superior to the masses, pay no attention to conditions at all levels, stay aloof from reality and from the masses, arbitrarily issue orders and do no practical work. This kind of mental attitude is not commensurate with the political task which confronts the party, nor it is commensurate with the title of a Communist Party member. We must help all party cadres and comrades acquire a correct understanding of the current situation and their own responsibilities through studying so that they will resolutely change such a mental attitude. Displaying vigor in and paying attention to work means doing away with bureaucratism. [paragraph continues]

The problem of buresucratism must be solved in the system itself and in the ideology and work style. Some of our comrades have developed bureaucratism to such a degree that both Chinese and foreigners are shocked. If we continue to be bureaucratic rather than change our thinking and work style, our work, our task of readjustment and the four modernizations will be adversely affected, and we will to a disservice to the party, the people and the future generations.

To be determined to set an example means to act in accordance with the "guiding principles for inner-party political life" and to rectify our party style and really play an exemplary vanguard role. To this end, it is very important to do away with the ideology and work style of seeking special privileges. Stalin had a famous saying: "We communists are people with a special character. We are made up of special material." Communists are special people because they do not seek special privileges, they always work for the interests of the working class and the people rather than seek their own special privileges and special interests. Party members and party cadres are, first of all, required to be selfless, to put the public's interests ahead of their own and to suffer hardships before others. Only when party members and party cadres set a good example can such noble ideals be popularized among the masses. Only when party members and party cadres set a good example can they unite and lead the masses to work hard, live a plain life and overcome all difficulties which emerge in readjusting the economy. Only when they share the weal and woe of the people can they work with one heart and one mind with the people. This is a truth proved by the revolutionary history of several decades. Whoever ignores this truth will be rebuffed and will end up a failure.

The party's line, principles and policies, including the policy of economic readjustment, formulated since the third plenary session, are correct. They have won the people's support. The people are now complaining about two of our shortcomings: one is the bureaucratic style adopted by certain cadres, the other is the ideology and work style of seeking special privileges adopted by others. It is because of these two shortcomings that the principles and policies of the party Central Committee cannot be correctly and forcefully implemented and that the people lack confidence in the party. Bureaucratism and the ideology and work style of seeking special privileges separate the party from the masses and dampen the people's enthusiasm. When we resolutely overcome these two shortcomings, the party will maintain closer ties with the masses, greatly enhance its prestige, achieve greater results in the ideological and political work of the masses and create a more favorable condition for achieving the arduous task of economic readjustment.

In the report at the first national CYL congress held on the eve of the founding of the PRC, Comrade Zhou Enlai said: "Although I have been a member of the party for 27 to 28 years, I have made many mistakes. When I talk about this, I feel that I owe much to the revolution. I feel I have not done a good job and I am not satisfied with it." When Comrade Zhou Enlai said this, he had already made many immortal contributions and was a renown figure in China and abroad. However, he was still not satisfied with his work and he set very strict demands on himself. Should the broad masses of party members and party cadres not feel that "they owe even more" and feel "even more dissatisfied with their work?" When our party and country are reviving, party members must see to it that they have a correct mental outlook and a correct ideology and work style. They should have the spirit to willingly sacrifice themselves for the greatest interests of the people, do their part conscientiously and with the utmost exertion in fulfilling the task of readjustment and make still greater contributions to the party, to the people and to the future generations.

If everyone agras, we will take the following two statements as our motto, write them down as an antithetical couplet and post them in our office:

"Display vigor in and pay attention to work; be determined to set an example."

PRC NATIONAL AFFAIRS

# ZHONGGUO QINGNIAN BAO ON BUREAUCRATIST CLASS

HK230540 Beijing ZHONGGUO QINGNIAN BAO in Chinese 7 Feb 81 p 2

[Article by Wang Hongchang [3769 3163 2490] and Liu Mengyi [0491 1125 5030]: "Does a 'Bureaucratist [guan liao zhu yi zhe 1351 0297 0031 0034 5074] Class' Exist Within the Party?'"]

[Text] Bureaucratism Represents a Force Alien to the Socialist System

Preventing and overcoming bureaucratism is a fixed and unchanging guideline for our party. Since the founding of the new China, the party Central Committee has repeatedly stressed that we must treat the prevention and elimination of bureaucratism as an important task in strengthening and improving party leadership. Especially since the 3d plenary session of the 11th party Central Committee, the party Central Committee has adopted a series of relevant measures. It has effected readjustments and reforms organizationally and in regard to the system, and achieved conspicuous results. However, if the phenomenon of bureaucratism that has inevitably existed under the socialist system and under the dictatorship of the people's democracy is lumped with the version of bureaucratism in the old society, which served private ownership under the dictatorship of landlord and bourgeois classes, or if we even claim that there exists "a bureaucratist class" within the party, this is entirely wrong. The phenomenon of bureaucratism that exists today is inherent in the socialist social system based on public ownership. It is also a force alien to the socialist system of public ownership and opposed to the people's democratic dictatorship. We must not fail to take note of this. We must also distinguish between two different versions of bureaucratism under two different social systems. We must refrain from taking superficial phenomena as essential points and freely exaggerating the seriousness of bureaucratism under the socialist system. Our doing so is wrong and harmful in regard to both theory and practice.

Marxism holds that as an idea, bureaucratism is determined by a given economic foundation and is the superstructure serving a given economic foundation. There was no bureaucratism before the existence of private ownership. With the appearance of the system of private ownership, bureaucratism arose to defend it. In a slave society, slave owners needed a set of appropriate bureaucratic [guan liao 1351 0297] political systems to protect the economic interests of their own class and maintain the rule of a minority over the majority. Bureaucratism in feudal society originated from the feudal despotic system. It not only had its roots in the feudal economy but was inseparable from the feudal state system. In order to maintain their economic interests and their feudal despotic rule, the landlord class and its chief representative -- the feudal emperor -- had to subject the people to oppression, exploitation and rule through bureaucratic organs at all levels and professional bureaucrats of various ranks. Though resolute in its opposition against the feudal landlord class, the bourgeoisie does not oppose private ownership. It also never opposes the rule of a minority over the majority. Therefore, with the establishment of the bourgeois economic system and political system, bureaucratic politics geared to capitalist features has arisen. Of course, bureaucratism in capitalist society is sharply different from its counterpart in feudal society in form and pattern. This is because the bourgeoisie still wants to continue raising the democratic banner in deceiving the masses of people and thus needs a relatively unobtrusive version of bureaucratism. But bureaucratism, whether represented by feudal society or capitalist society will never change in its nature when it comes to maintaining private ownership, exploitation and the rule of a minority over the majority. From this it can be seen that the old version of bureaucratism is basically opposed to the masses of laboring people and represents an antagonistic contradiction. To solve such a contradiction, we cannot possibly do so through the exploitation system itself and can only on so through antagonistic and violent armed revolution -- smashing the old state machinery and overthrowing the whole exploitation system.

# NATIONAL AFFAIRS

Under the socialist system and under the dictatorship of the people's democracy, we cannot immediately get rid of bureaucratism for both historical and realistic reasons. First, socialist society has not been offered on a silver platter. It has managed to emerge from the old society and inevitably embodies the remnants of the old society. The new China has been established and developed on a semifeudal and semicolonial basis. Despite our success in democratic revolution and socialist revolution and in eliminating private ownership, the bureaucratism rooted in Chinese officialdom for several thousand years could not possibly have disappeared with the establishment of the socialist system. Like a ghost, it still haunts our political life. Second, a backward economy is what bureaucratism relies upon for its existence and is its breeding ground. Despite a collective agriculture introduced in our country long ago, given no basic change in manual work, productivity is still very low. A large number of urban factories are still backward in their technology. Certain traces of small production have not been completely eliminated. Just as Lenin pointed out, bureaucratism is "the superstructure of scattered and apathetic small producers" and its economy is rooted in "the disorganized and apathetic state of small producers." ("Collected Works of Lenin," vol 32, p 343) This is to say that without a great increase in productivity and with no basic change in the backward state of the economy, we cannot talk about the thorough elimination of bureaucratism. Third, due to certain defects existing in the leadership of the party and the state and in the economic management system and the cadre system, coupled with the backwardness of our education, science and technology, we have found it difficult to improve upon and perfect the democratic system and the legal system, thus providing a chance for the existence and development of bureaucratism.

# The Idea of a "Bureaucratist Class" Is Absurd

Summing up the phenomenon of bureaucratism existing under the socialist system to infer the existence of a "bureaucratist class" is not only incompatible with the actual objective conditions of our country but also theoretically goes against the fundamental principles of Marxism. The Marxist concept of classes is put in terms of different economic positions, which are taken as the yardstick with which to differentiate classes. This is to say that under given social conditions, who is in possession of the means of production and how these means of production are used are expressed as the economic and political positions of different classes. Our country long ago did away with private ownership, exploitation and the exploiting classes and established a socialist society following the system of public ownership. The means of production are owned by the working class and the masses of laboring people. Despite different kinds of work taken up by the people in the process of social production, there is no longer the relationship between the exploiter and the exploited. Instead there exists the relationship of mutual help and cooperation between comrades. Our state organs and their management workers do not possess the means of production. Nor do they practice exploitation. Though some people assume "bureaucratic airs" and develop certain unhealthy practices, such as seeking privileges, and so forth, how can they be described as a "bureaucratist class" serving private ownership?

Based on the Marxist method of class analysis, Lenin further pointed out the relations among the masses, the class and the political party. Lenin held that in class society, the masses were divided into classes which were generally led by political parties. Especially in modern society, any political party belongs to a given class, serving its fundamental interests. Never has there been a case in which a class belongs to a political party. The proletarian political party is the representative of the fundamental interests of the working class and the masses of laboring people. Its birth and growth are inseparable from the working class and the masses of laboring people. The Chinese Communist Party is the outstanding representative of the Chinese working class and laboring people. This has been repeatedly proved by 60 years of history. Just as the masses of people have realized from practice, without the Chinese Communist Party, there would be no new China. [paragraph continues]

Without the Chinese Communist Party, there would be no socialism. Without the Chinese Communist Party, the realization of the four modernizations could not be achieved. If the relationship between class and the political party is reversed and if a "class" within the Chinese Communist Party is arbitarily created and is used as an excuse to attain the aim of opposing and removing the Chinese Communist Party, this clashes with what the working class and the masses of laboring people know and their wishes.

In fact, even under the old social system, "bureaucrats" were also only part of the ruling class. These bureaucrats could not act against the interests and wishes of the whole ruling class. There basically existed no independent economic interests. For example, in feudal society, the landlord class was the ruling class. But the "bureaucrats" who emerged to exercise power only represented a very small number of the members of the landlord clss. What these people said and did could not run counter to the fundamental interests of the landlord class. If such was the case, they would be removed from office. Bureaucratism under the dictatorship of the people's democracy (or proletarian dictatorship) is a reflection of nonproletarian ideas among the revolutionary ranks and is condemned by the great majority of people in society. Speaking honestly, there really exist unhealthy practices within the party. There are really an extremely small number of leading cadres who seek privileges. Opposing bureaucratism is right and proper. But it must be noted that we cannot equate individual phenomena with universal phenomena. Nor can we magnify something limited to a part into something that affects the whole. By no means are all the party members of the majority of party members affected by unhealthy practices. Also by no means all the leading cadres or the majority of them are seeking privileges and practicing bureaucratism. Still less is there a so-called "bureaucratist class."

# Firmly Bear Historical Lessons in Mind

The lessons we have learned are painful. Diring the 10 years of turmoil, to subvert the people's democratic dictatorship and usurp party and state power, the Lin Biao and Jiang Qing counterrevolutionary cliques applied the methods used against class enemies toward those variously guilty of bureaucratism. They ruthlessly persecuted many good cadres who maintained close ties with the masses and with reality--treating the latter as a "bureaucratist class." Prompted by ulterior motives, they put forward such reactionary slogans as: "The Great Cultural Revolution" providing a solution to "the contradiction between the new Cultural Revolution and the old government," "thoroughly smashing public security, procuratorial and law enforcement organs," and so forth. All "leaders" prior to "the Great Cultural Revolution," at every level from the state chairman down to the workshop and production team leaders, regardless of how high or low their "official" rank, were labeled "advocates of the black line," "members of the bureaucratist class," and "capitalist roaders" and were all "toppled and discredited" or subjected to even greater humiliation. As a result, good people suffered while bad people held power. Feudal despotism reigned supreme. This almost led to the ruin of our party and state. What serious consequences resulted, just because a problem of bureaucratism or a contradiction among the people that could have been solved through the socialist system itself was arbitrarily made into a contradiction between ourselves and the enemy and tackled by resorting to "ruthless struggle and relentless blows."

Our approach to opposition against bureaucratism must not be carried beyond given limits. This is to say that it must be down-to-earth. Stalin pointed out: "If the struggle against bureaucratism within our state machinery is carried so far as to ruin the state machinery and leave its reputation in tatters and so far as to bring about the collapse of the state machinery, then this is acting against Leninism and is to forget that our machinery is Soviet machinery and is the highest exponent of all existing state machinery in the world." ("Collected Works of Stalin," vol 10, p 273) The Lin Biao and Jiang Qing counterrevolutionary cliques did carry things so far. At present, an extremely small number of people are bent on making trouble in the world. They are harping on the old tune that "there exists a bureaucratic class within the party." Their ultimate aim is also to bring about the collapse of our party and state machinery.

Every upright man can see that since the 3d Plenary Session of the 11th CCP Central Committee, the party Central Committee has done a large amount of work to prevent and overcome bureaucratism and has achieved conspicuous results. However, given a short period of time, we cannot possibly have thoroughly solved all the problems that have accumulated over the years. Thorough solution of these problems takes time and calls for a process of work. Every Communist Party member and revolutionary comrade should advance in a steady and orderly manner under the unified guidance of the party Central Committee. We must persist in party leadership, doggedly follow the socialist road, uphold the people's democratic dictatorship, adhere to Marxism-Leninism-Mao Zedong Thought, continuously improve on and perfect the socialist democratic system and the legal system, energetically develop productivity, and share the same will in properly readjusting the national economy. So long as we do so, bureaucratism among our ranks can surely be gradually overcome. With the advance of the socialist cause, bureaucratism will eventually be thoroughly eliminated.

# GONGREN RIBAO COMMENTATOR ON TRADE UNION WORK

HK201509 Beijing GONGREN RIBAO in Chinese 11 Feb 81 p 2

[Commentator's article: "Pay Attention to Practical Results and Do Not Do Things Superficially"]

[Text] Last October, the All-China Federation of Trade Unions issued a circular concerning the inspection of welfare work for workers. Since then, trade unions at all levels and some departments concerned, under the leadership of the party committee, have enthusiastically inspected and solved some urgent and solvable problems concerning workers' welfare and labor protection. This has won the people's support. We should continue with the inspection and should not slacken our efforts.

In order to successfully inspect the welfare work being done for workers, we must proceed from reality, pay attention to practical results rather than do things superficially. We must conscientiously solve the solvable and urgent problems of the masses. As conditions of various localities and units are different, the methods and duration of inspection should not be uniform. Whether the inspection on welfare work for workers in a locality, trade or grassroots unit is well done or not primarily depends on whether the masses' urgent problems have been solved. If we conduct a large-scale movement without solving any practical problems, we are doing things in a perfunctory way.

A small number of cadres think that problems concerning workers' welfare have existed for a long time and cannot be easily solved. They worry that an inspection of these problems will cause embarrassment. Some comrades think that things can be successfully done only when there is sufficient money and they wonder how problems concerning workers' welfare can be solved without money. Thus, they are not bold in mobilizing the masses and facing the contradictions. If these ideological problems are not solved, the inspection of the welfare work done for workers will be carried out in a superficial way. Enterprises which have done a good job of inspection have earnestly solved the solvable problems concerning workers' welfare. At the same time, they have told the masses the actual conditions, difficulties and carabilities of the enterprises. They have also mobilized . the masses to discuss these - blems in a democratic way in the workers' congresses in order to solve the masses' most urgent problems with limited financial and material resources. Subsequently, the masses have been very satisfied with these enterprises. Moreover, these enterprises have not caused any embarrassment in the course of being inspected. Many aspects of workers' welfare, including canteens and nurseries, have not been well managed. People are complaining. However, if an inspection is carried out, leadership will be strengthened, management will be improved, rear-service personnel will be further mobilized to unfold the socialist labor campaign and problems will be solved by spending only a little money or even without any money at all. Thus, while solving problems concerning workers' welfare, we must adhere to the mass line and the principle of running all undertakings industriously and thriftily. We must try to do the maximum work by spending the minimum amount of money. We must even try to do things without spending any money.

Successfully carrying out the inspection of the welfare work done for workers will play an important role in promoting stability and unity and improving leaders' work style. We must integrate the inspection and the solution of the masses' problems with the enhancement of the masses' political consciousness. We must educate workers to keep the whole situation in mind and to correctly handle the interests of the state, of the collective and of the individual. Inspection should not only be carried out in units with sufficient production quotas but also in units with insufficient production quotas. The more difficult the situation is, the more trade unions should bear in mind the various problems of livelihood, proceed from actual conditions and share the workers' sorrows in accordance with their needs and practicability. Then cadres and the masses will be further united in making concerted efforts to overcome the temporary difficulties which confront us.

# JIEFANGJUN BAO: PROPAGATE FOUR BASIC PRINCIPLES

OW201405 Beijing Domestic Service in Mandarin 0900 GMT 20 Feb 81

[Report on JIEFANGJUN BAO 14 February commentator's article: "Conduct In-Depth Propaganda and Education on the Four Basic Principles"]

[Text] The article says: The four basic principles—the socialist road; the people's democratic dictatorship, that is, the dictatorship of the proletariat; the party's leader—ship; and Marxism—Leninism—Mao Zedong Thought—are a masterly generalization and scientific summation of our country's historical experience in revolution and construction over the past several decades. They have always been upheld by our party for a long period of time. If we should waver on the four basic principles, it would mean that we were wavering on the entire socialist cause.

The goal of our revolution is to build a modern, powerful socialist country with a highly developed democracy and civilization and to ultimately realize communism. Unless we adhere to the socialist road, assure ourselves of a strong people's democratic dictatorship, have the leadership of the Chinese Communist Party and have Marxism-Leninism-Mao Zedong Thought to guide us, how can we possible reach that lofty goal step by step?

At present, our country is to carry out further economic readjustment and achieve greater political stability. The task of carrying out this important policy is an arduous one. It is necessary for all of us, under the leadership of the party Central Committee, to work with one heart and one mind and make great efforts. Upholding the four basic principles is precisely the most important precondition to guarantee that this important policy will be carried out.

The core of the four basic principles is to uphold the party's leadership. Without the Communist Party, there could not have been a new China. Without the Communist Party's leadership, socialist modernization would be out of the question. In China's history, only the Communist Party withstood the 10 years of bloody terror after the failure of the great revolution, the encirclement and suppression by a million-strong enemy forces and the 25,000 li Long March, defeated Japanese imperialism and the Kuomintang reactionaries, led the Chinese people through innumerable trials and tribulations and founded the People's Republic of China. Only the Chinese Communist Party could become the force at the core leading our cause forward and uniting the people throughout the country, could put an end to the state of disunity which caused old China to be likened to a sheet of loose sand, could realize the great unity of all the nationalities in the whole country and could embark on the march to build China into a modern, powerful socialist country with a highly developed material and spiritual civilization.

Our party has also made many mistakes. But every time we corrected our mistakes by relying on the party, not leaving it, and by relying on the party's own strength, not on any other force. Leadership over the state is exercised through the Chinese Communist Party. This principle is written into the Constitution of the People's Republic of China and there must be no wavering on it. If we should waver on this principle, we would retrogress into disunity and chaos, and it would be impossible to accomplish the four modernizations.

To uphold the four basic principles, we must wage a struggle against the erroneous trend of thought in society of negating and opposing the four basic principles. Every Communist Party member and revolutionary fighter must display a high sense of responsibility to the revolution, step forward bravely, take a clear-cut stand and wage a serious ideological struggle against the erroneous trend of thought. It is not the proper stand and attitude of a Communist Party member or revolutionary fighter to turn a deaf ear to erroneous words and deeds of negating and opposing the four basic principles, or just look on or remain silent.

Upholding the four basic principles is in keeping with the efforts of firmly implementing the party's line, principles and policies formulated since the 3d plenary session of the 11th party Central Committee. The party's line and the series of principles and policies since the 3d plenary session of the 11th party Central Committee have all been formulated under the guidance of the four basic principles, based on the actual conditions in China and taking into consideration the new situation. It is entirely wrong to have doubts about the line, principles and policies of the 3d plenary session of the 11th party Central Committee and deviate from the four basic principles. It is equally wrong to regard the current reemphasis of the four basic principles as an indication that the line, principles and lines of the 3d plenary session of the 11th party Central Committee have been changed.

Why should we conduct in-depth propaganda and education on the four basic principles?

A very important reason is to firmly and unwaveringly continue to implement all the tested principles and policies formulated since the 3d plenary session of the 11th party Central Committee. We must closely combine education on upholding the four basic principles with education on firmly implementing the party's line, principles and policies.

The article says: Although the four basic principles have been consistently upheld by our party, in today's new situation we are confronted by new conditions and problems in conducting propaganda and education on upholding the four basic principles. On the one hand, the theory and practice contained in the four basic principles have both made forward development. On the other hand, during the 10 years of turmoil, the Lin Biao and Jiang Qing counterrevolutionary cliques distorted and tampered with Marxism-Leninism-Mao Zedong Thought and ruined the reputation of the party, socialism and the people's democratic dictatorship, while all the confusions they created among the people have not yet been clarified. Both these two conditions have made it more complicated and difficult for us to conduct propaganda and education on upholding the four basic principles.

We must first of all actively and boldly conduct propaganda and education on the four basic principles. At the same time, we should conduct propaganda and education by citing the many new facts, collecting materials on the encouraging profound changes that have taken place in all fields in our country since the 3d plenary session of the 11th party Central Committee and linking theory with practice, and we should do our best to make the propaganda and education really convincing.

# GUANGMING RIBAO ARTICLE ON EMANCIPATION OF MIND

HK201003 Beijing GUANGMING RIBAO in Chinese 31 Jan 81 p 1

[Article by Tao Sha [7118 3097]: "Emancipating the Mind Means Seeking Truth From Facts"]

[Text] Emancipating the mind is to keep ideas in line with reality, to integrate subjectivity with objectivity and, in other words, to seek truth from facts. This is a point which we must clarify when we emancipate our minds.

What is meant by seeking truth from facts? Comrade Mao Zedong made an incisive and scientific summarization 40 years ago, saying: "'Facts' refers to things existing objectively; 'truth' means the internal relations among objective things or, in other words, a law; and 'seek' means that we study it." He further pointed out: "We should proceed from actual circumstances inside and outside the country, the province, the county or the district and find out therefrom the innate law rather than a fabricated law or, in other words, find out the internal relations among the surrounding events, to serve as guidance for our action." To genuinely persist in seeking truth from facts in all our work, we must constantly study, probe into and solve new problems and must continue to emancipate our minds.

The general policy of emancipating the mind, starting the machinery, seeking truth from facts and uniting together to look forward laid down at the 3d plenary session of the 1lth party Central Committee mainly calls on us to smash the restraints from left deviationist ideas that have existed for a long time, to break an ossified way of thinking, to proceed from China's actual conditions, to study a brand new subject--carrying out the four modernizations in China--and to draw therefrom an innate law to serve as guidance for our actions. Today, only directed by the line of the 3d plenary session of the 1lth party Central Committee can we seek truth from facts and genuinely emancipate our minds.

Take the current readjustment of the national economy for example. The proposal on sufficiently reducing capital construction means a real attempt to emancipate the mind. For a long time, while doing economic work, we did not clearly see the basic fact that our country has a large population and a poor foundation to start with and that we are carrying out socialist construction in a country with a population of 1 billion, of whom 800 million are peasants. We did not understand that we need to make arduous efforts over a long period of time in order to turn our country's backward productive forces into advanced productive forces. We always stressed exerting all-out efforts to make rapid development. We made mistakes in advancing rashly. We did not turn round although we had suffered many defeats. Guided by the line set forth at the 3d Plenary Session of the 11th CCP Central Committee, we summed up our experience and eventually saw and corrected the major leftist mistakes we had made in economic work since the founding of new China. We corrected our guiding thought for economic work, really proceeded from the conditions of our country, acted according to our capacity and advanced steadily. This fundamental change enabled us to see that emancipating the mind in economic work requires that we must look squarely at the conditions of our country and get rid of the things that are incompatible with the conditions of our country, and that only by proceeding from this basic point can we raise our consciousness, overcome blindness, have a common language and coordinate our actions in the current readjustment of the national economy and in the economic construction in the future.

Some comrades do not understand the fundamental principle that emancipating the mind means shattering the fetters of subjective ideas incompatible with objective conditions and also means seeking truth from facts. They mistakenly take emancipating the mind to mean that they can act according to their subjective wishes. For this reason, they do not seriously study the actual surroundings (including the historical and actual conditions). Instead, proceeding from subjective wishes, they put forward some impractical and even imaginary slogans and demands, or try to immediately copy some good things of foreign countries regardless of whether these things are suitable to China. They do not realize that emancipating the mind is a scientific slogan that has definite connotations. To emancipate the mind is to make the mind more suitable for the development of the objective situation and in keeping with the law of the objective world so as to liberate thought. If we deviate from the basic point of proceeding from reality and only pay lipservice to emancipation of the mind, we will inevitably act at will subjectively and go nowhere in practice.

Certain comrades set emancipating the mind against upholding the four fundamental principles and say that upholding the four fundamental principles impedes emancipation of the mind. Comrades holding this viewpoint mostly have failed to clearly understand that emancipating the mind is to seek truth from facts. The four fundamental principles are not a product of subjective conjecture. Instead, they are the results of summing up the historical experience of China's revolutionary struggle. Using the four fundamental principles as a guiding principle for the four modernizations is also in keeping with China's actual conditions. In China, without the guidance of Marxism-Leninism-Mao Zedong Thought, without the leadership of the Communist Party and without persisting in the people's democratic dictatorship and the socialist road, there would be no national stability, people's unity nor any possibility of carrying out the four modernizations. In that event, the only outcome would be a retrogression to a dark age characterized by a split country of poverty-stricken people in disaster. This is a historical conclusion. Only by upholding the four fundamental principles can we do a good job in the modernization program. Emancipating the mind is to make the mind more suitable for this inevitability. [paragraph continues]

On one hand, we must liberalize ourselves from the sham four fundamental principles promoted by Lin Biao and the "gang of four." On the other, we must proceed from the new historical conditions and correctly use the four fundamental principles to guide our modernization program. Only by upholding the four fundamental principles can we proceed to emancipate our minds in a healthy way, and only by emancipating the mind can we genuinely uphold the four fundamental principles. The two complement each other. Emancipating the mind is not a stereotype but has the scientific connotation of seeking truth from facts. One who persists in seeking truth from facts will not draw the conclusion that upholding the four fundamental principles hinders emancipation of the mind and means "tightening control."

According to its innate connotations, emancipating the mind is an endless process and will not go too far because practice continues to develop and new conditions and new problems also continue to emerge. Emancipating the mind also requires one to have both revolutionary fervor and a scientific attitude, to study and analyze the objective conditions and to draw a scientific conclusion that tallies with the facts. Indulging in fantasy absolutely does not mean emancipating the mind and certainly should not be interpreted as going too far in emancipating the mind.

# NEW CAPITAL CONSTRUCTION PROJECTS DESCRIBED

OW220825 Beijing XINHUA in English 0800 GMT 22 Feb 81

[Text] Beijing, 22 Feb (XINHUA)--New coal mines with a combined annual capacity of 7.29 million tons were put into operation in northern China last year, according to the State Capital Construction Commission. These projects included shaft, slope and drift mines built in Liaoning, Shanxi, Heilongjiang, Henan and Shaanxi Provinces and the Xinjiang Uygur Autonomous Region.

Altogether, China completed and put into operation 60 big and medium-sized integrated projects and 183 separate projects in 1980, the commission said. They helped to strengthen such weak links in China's economy as the energy, building materials, communications and light and textile industries. These new projects added 2.48 million kilowatts of electricity, 1.5 million tons of cement and 86,000 tons of sugar, among other things, to the country's annual production capacity.

New oil wells were sunk at the Huabei, Daqing, Shengli, Liache, Karamay and Changqing oilfields.

Nine hundred and ten kilometers of new railways were built and opened to traffic last year, the commission added, while the annual freight handling capacity of ports increased by 6,825,000 tons, thanks to the completion of new port facilities.

Meanwhile, China's light and textile industries expanded with the completion of new projects, which included vinylon, chemical fiber and woolen mills, a photo-chemical fiber and woolen mills, a photo-chemical plant in Shantou (Swatow) and a major paper mill in Yueyang.

While listing the achievements of 1980, a spokesman of the commission said, however, that some capital construction projects were not completed on schedule. Despite retrenchment in capital construction, efforts will be made to finish the key projects in the 1981 plan on time and bring about better economic results, the spokesman said.

### MINORITY NATIONALITIES EDUCATION REVIEWED

OW210416 Beijing XINHUA Domestic Service in Chinese 1403 GMT 20 Feb 81

[Report by RENMIN RIBAO reporter Bi Quanzhong and XINHUA reporter Yang Jianye: "The Cause of Eudcation for China's Minority Nationalities Is on the Advance"]

[Excerpts] Beijing, 20 Feb (XINHUA)—The national work conference on nationality education, now in session, reveals that the cause of education for minority nationalities, disrupted during the 10-year turmoil, is being restored and has achieved new and steady growth.

Since the founding of the PRC, China's nationality education has been systematized. China not only has developed middle and primary school education and secondary education but has also established 10 nationality institutes and a number of other schools of higher learning and has gradually developed literature, science, engineering, agriculture, medicine, teacher training, and other departments to meet the needs of the revolution and of economic and cultural building in minority areas. In the past 30 years these schools have trained for the state a large number of minority cadres and built a force of minority intellectuals. By the end of 1979 the 10 nationality institutes had trained a total of more than 97,000 minority political and professional cadres. A large number of them have been assigned to leading posts.

According to statistics, in 1980 there were more than 460,000 minority teachers and some 9.7 million minority students in schools at various levels and in various categories throughout China.

According to remarks by delegates from the various autonomous regions, work on compiling and publishing teaching materials in the languages of China's minority nationalities has developed greatly. Seven provinces and autonomous regions of China have established organizations to compile and publish such teaching materials. A number of them have not only compiled and published teaching materials for middle and primary schools, but they have also begun to compile teaching materials for secondary vocational schools and schools of higher learning.

Zang Boping, vice minister of education, and Hu Jiabin, vice minister in charge of the State Nationalities Affairs Commission, told us that, since the convocation of the 3d Plenary Session of the 11th CCP Central Committee, the masses of cadres and educational workers have further realized the harm done by "left" mistakes to the cause of education for the minority nationalities and have begun to shift the guiding thought from the "left" mistakes. Consequently the cause of education for China's minority nationalities has once again been newly developed. After the party Central Committee issued the directive on the work in Xizang, Xizang and other provinces and autonomous regions have paid further close attention to the cause of nationality education and, starting from reality, have put forth plans and measures to restore, readjust and develop nationality education. These plans and measures are now being implemented.

Through the concern of the party and the government, over the past 2 years, minority teachers' political status has been enhanced and their economic life improved; a new custom of respecting teachers and cherishing students is being formed at schools and in our society in the national minority areas. All this greatly inspires educational workers for minority nationalities.

The educational workers for minority nationalities to the conference have pointed out: Achievements are great, but this is just a good start. Many arduous tasks and many difficulties remain to be undertaken and overcome. Our common hope is that party and government cadres at all levels will further realize the great significance of the cause of nationality education for promoting great unity among the people of all nationalities, for their prosperity, for promoting the building of the four modernizations in the frontier regions and for consolidating frontier defense. Within the scale of their ability, the various state departments and the collectives should vigorously support the cause of education for minority nationalities. Nationality educational workers should clearly understand their responsibility and be hard-working gardeners so that the flower of nationality education will blossom brightly and bear full fruits in the vast motherland.

### ANHUI CPPCC COMMITTEE PLANS PLENARY SESSION 23 FEB

OW201445 Hefei Anhui Provincial Service in Mandarin 1100 GMT 20 Feb 81

[Text] The 10th Standing Committee meeting of the 4th Anhui Provincial CPPCC Committee was held 19-20 February. The meeting decided that the third plenary session of the fourth provincial CPPCC Committee be held in Hefei on 23 February. Zhang Kaifan, chairman of the provincial CPPCC Committee, presided over the Standing Committee meeting. Wu Yanqiu, Peng Zongzhu, Fang Shiliang, Wang Zenong, Zhao Minxue, Fang Qikun, Chai Dengbang and Pan Ezhang, vice chairmen of the provincial CPPCC Committee, attended the meeting.

The meeting discussed the agenda and schedule for the third plenary session of the provincial CPPCC Committee. The meeting also heard and discussed the work report of the Standing Committee of the fourth provincial CPPCC Committee, a report on handling the proposals of the second plenary session of the fourth provincial CPPCC Committee and the draft of the opening speech to be made at the third plenary session of the fourth provincial CPPCC Committee. The meeting, after consultation, also approved the namelists of fourth provincial CPPCC Committee members to serve on various panels.

### ANHUI PEOPLE'S GOVERNMENT HOLDS PLENARY SESSION

OW221700 Hefei Anhui Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Text] The Anhui Provincial People's Government held its second plenary session on the morning of 21 February to discuss the report submitted by the provincial People's Government on how the national economic plan for 1980 was implemented and on the arrangements for the 1981 draft plan. The session also discussed the report submitted by the provincial People's Government on Anhui's final accounts for 1979, on how the 1980 budget in the province was implemented and on Anhui's draft 1981 budget. The session decided to submit the aforementioned two reports to the third session of the fifth provincial People's Congress for examination, and entrusted Comrade (Zhang Yuming) and Zhou Daojiang to give briefings on these reports.

Governor Zhang Jingfu presided over the session and delivered a speech. Attending the session were responsible persons of the provincial People's Government and the various departments concerned.

# ANHUI NAMES ADDITIONAL PEOPLE'S CONGRESS DEPUTIES

OW201404 Hefei Arhui Provincial Service in Mandarin 1100 GMT 20 Feb 81

[Text] On the morning of 17 February, the Hefei Municipal People's Congress Standing Committee held its eighth plenary session. The plenary session elected (Zhou Zijian) and (Sun Shu), a woman, as additional deputies to the Fifth Anhui Provincial People's Congress.

# JIANGSU MILITARY DISTRICT PARTY COMMITTEE MEETS

OW211726 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 21 Feb 81

[Text] According to station reporter (Li Lihe), the Jiangsu Provincial Military District party committee held an enlarged meeting from 13 to 20 February. It was attended by more than 400 leading comrades at and above the regimental level. The comrades attending the meeting conscientiously studied the documents of the party Central Committee's work conference and reviewed and arranged this year's work. On the basis of conscientious study of the documents and centering on the questions of how to correctly understand the present situation, of upholding the four fundamental principles, and of strengthening and improving the party's leadership and on how to implement the policy of readjustment, the comrades attending the meeting carried out in-depth discussions in close connection with reality.

They unanimously maintained: The recent work conference of the party Central Committee penetratingly analyzed our country's present political and economic situations, correctly summed up the experiences and lessons in economic work since the founding of the country and put forward an important policy of carrying out further economic adjustment and realizing further political stability. Conforming to the country's situation and enjoying the immense support of the people, the policy is an important decision guaranteeing our country's steady progress in marching toward its resurgence. They all expressed determination to lead their units in making positive contributions to implementing policy.

During the meeting, Comrade Luo Qingtao, third secretary of the provincial military district's party committee, made a work report on behalf of the party committee summing up the situation of the work in 1980 and mapped out the work for 1981. He stressed: Party committees and political organizations at all levels must regard the study and implementation of the guidelines of the party Central Committee work conference as an important political task, the first major event of this year and an important subject in the education in the party's line, principles and policies and energetically grasp the task well. Leading comrades at all levels should take the lead in the study of the guidelines and strive to study and understand them still better. Based on their own study, they should delve into the units to popularize the guidelines and answer questions put forward by the cadres and fighters. On ideological understanding, they should adhere to facts, reason things out and give positive guidance; on incorrect statements and theories, they should carry out stern criticism and education. Through education, they should unify the ideology and actions of the cadres and fighters with the guidelines of the party Central Committee work conference.

He also stressed: It is necessary to educate every party member and the broad masses of cadres and fighters to consciously abide by party discipline and state laws and army discipline to ensure a high degree of centralism and unity among army units; consciously follow the party's leadership; obey the party's orders in all actions; resolutely carry out missions according to the party's line, principles and policies; positively safeguard the security of society; defend and develop the political situation of stability and unity, and safeguard the smooth progress of economic readjustment.

At the conclusion of the meeting, Comrade Wang Jingkun, second secretary of the provincial military district's party committee, spoke on how to study and implement the guidelines of the party Central Committee work conference. He stressed three areas: 1) It is necessary to correctly understand the situation, deeply understand and consciously implement the important policy decided upon by the party Central Committee work conference. 2) It is necessary to carry out in-depth popularization and education of the four fundamental principles. 3) It is necessary to strengthen and improve the party leadership.

### JIANGXI PEOPLE'S CONGRESS STANDING COMMITTEE MEETS

### 18 Feb Session

HK210318 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 18 Feb 81

[Excerpts] The sixth meeting of the Fifth Jiangxi Provincial People's Congress Standing Committee was convened in the club of the Jiangxi guesthouse on the morning of 18 February. The agenda of the meeting is as follows: 1) to study and discuss the documents of the central and provincial CCP Committee work conference; 2) to listen to and discuss the provincial People's Government's report on readjusting the province's national economy; 3) to discuss and adopt a decision on convening the third session of the fifth provincial People's Congress; 4) to listen to a report by Governor Bai Dongcai on his visits abroad; 5) to approve appointments and dismissals and handle other matters.

Present at the meeting were provincial People's Congress Standing Committee Chairman Yang Shangkui, and Vice Chairman Liu Junxiu, Luo Mengwen, Zhang Yuqing, Ye Changgeng, Li Fangyuan, Gu Jiguang and Xie Xianghuang. Chairman Yang Shangkui presided and spoke. He said: The work conference held not long ago by the Central Committee was a very important meeting in our party's history. The guiding principle stipulated by the conference of achieving further economic readjustment and political stability is a continuation and development of all the correct principles and policies since the third plenary session. It is a further implementation and deepening of the third plenary session's guiding ideology of seeking truth from facts and correcting leftist errors.

In his speech Comrade Yang Shangkui demanded that the committee members emancipate their minds and freely air their views in their study and discussion. In connection with Jiangxi realities, they should discuss and decide on specific measures and methods for implementing the spirit of the central work conference and its decisions. Through study and discussion, we should greatly enhance our thinking and improve our work style, and ensure that we unconditionally maintain political unanimity with the Central Committee. We must mobilize the people of the whole province to work hard and in concert to fulfill the tasks put forward by the central work conference.

### 20 Feb Session

HK210329 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 20 Feb 81

[Excerpt] The sixth meeting of the Fifth Jiangxi Provincial People's Congress Standing Committee held a full session on the morning of 20 February to listen to a report of the provincial People's Government on readjusting the province's national economy. Provincial People's Congress Standing Committee Vice Chairman Liu Junxiu presided at the meeting. Vice Governor Wang Shixian delivered the report, as commissioned by the provincial People's Government. The report was in three parts: 1) the current economic situation in the province; 2) the arrangements for readjusting the national economy this year; 3) resolutely fulfill under the party's unified leadership the province's economic readjustment tasks.

Provincial People's Congress Standing Committee Chairman Yang Shangkui attended the session. Also present were Vice Chairman Liu Junxiu, Luo Mengwen, Zhang Yuqing, Ye Changgeng, Li Fangyuan, Gu Jiguang and Xie Xianghuang. Governor Bai Dongcai and Vice Governors Wang Shixian, Zhang Guozhen, Fang Qian, and Liang Kaixuan were also present.

### SHANGHAI COMMENDS ADVANCED MILITIA UNITS, PERSONNEL

OW211411 Shanghai City Service in Mandarin 1130 GMT 21 Feb 81

[Text] On the afternoon of 21 February, the Shanghai Municipal People's Government and the Shanghai Garrison Command held a meeting to commend advanced units and individuals for their outstanding achievements in performing the People's Militia work. Attending were Hu Lijiao, secondary secretary of the municipal party committee; Wang Jian and Chen Zonglie, vice mayors of Shanghai Municipality; He Yixiang, commander of the Shanghai Garrison Command; and (Zhang Cheng), political commissar of the command.

Over recent years, the broad masses of the people's militiamen in Shanghai have—through the education in the party's line, principle; and policies as well as in combat readiness—enhanced the feeling of honor and the sense of responsibility as three-good people's militiamen. Large numbers of advanced units and individuals have emerged. All units have paid attention to the training of cadres of the people's militia and of core members of the armed militia. The number of militiamen trained in Shanghai totals 410,000. The overall appraisal of the training results is good. The annual plan has been fulfilled.

For 4 consecutive years, no weapons were stolen or lost among all members of the People's Militia in Shanghai. The broad masses of the militiamen have made renewed contributions in implementing the modernization program, in assuming combat preparedness duty and in coordinating with public security departments to safeguard social order. At today's meeting, 80 advanced units including (Hudong) shippard and 200 advanced individuals were commended. Attending leading comrades issued them certificates of merit, medals and certificates of honor. Political Commissar (Zhang Cheng) and Comrade Hu Lijiao spoke at the meeting.

# GUANGZHOU PARTY MEETING DISCUSSES TASKS, PROBLEMS

HK220403 Guangzhou Guangdong Provincial Service in Mandarin 1120 GMT 21 Feb 81

[Excerpts] The Guangzhou Municipal CCP Committee held its first enlarged Standing Committee meeting of this year from 11 to 19 February. The main tasks of the meeting were to further study and implement the spirit of the recent central work conference and the provincial party representative meeting, and arrange work in Guangzhou for this year. The participants pledged to unconditionally maintain political unanimity with the Central Committee, carry out economic readjustment on the basis of stability and unity, and make a success of work in Guangzhou.

The meeting pointed out: To make a success of work in Guangzhou, we must base our efforts on the city's realities and decide on specific guiding principles for work. Practice has proven that the principle of concentrating on the light and textile industries put forward by the municipal CCP Committee last June is correct. However, due to the influence of leftist ideology over many years, plus the sabotage by Lin Biao and the gang of four, serious consequences have been caused in the city's economic construction and the task of economic readjustment in Guangzhou is indeed heavy and arduous. On the other hand, there are also many favorable conditions. So long as we carry out readjustment in a thoroughly sound way, we will be able to make steady progress in the course of readjustment.

After full studies, the meeting put forward the following main demands on economic readjustment in Guangzhou: 1) Strive to increase revenue and economize expenditures and balance the budget. 2) Achieve basic price stability. 3) Attach importance to quality, variety and economic results. We should not set high targets in industrial and agricultural production. While readjusting the economy, we should strive for a relatively great development in economic dealings with the outside world. 4) Act according to our capabilities in striving to repay some of the debts in the people's living standards, urban construction, and culture and education, in order to improve the people's life.

The meeting stressed that it is necessary to make a success of work in the following respects in order to reach these aims:

- 1. It is necessary to cut and readjust the capital construction front, strengthen the weak links, and use the limited finance and material where they are most needed. We should strengthen urban, housing, cultural and education construction, develop the light, textile and electronic instrument industries and the agricultural and sideline product bases in order to meet urgent market needs; strengthen energy, especially medium and small hydroelectric stations and the necessary power transmission lines, and strengthen the building materials industry, including cement and glass. All these are weak links.
- 2. In industrial production we must readjust the product orientation and take full advantage of the superior features of Guangzhou. We must therefore develop toward building up a light industrial structure. We must pay attention to producing products that sell well.
- 3. We must break down barriers between departments, trades and areas, organize specialized joint undertakings on a still greater scale, and carry out large-scale socialized production, in order to achieve rapid results in industrial readjustment. We should pay attention to joint undertakings centered on particular products and also pay attention to cooperation in crafts. In carrying out readjustment, we must act according to economic laws, embrace the "one chessboard" idea, and get rid of the narrow vision of small producers.
- 4. We must make full use of existing enterprises and carry out technological improvements.

- 5. Agriculture in the suburban counties must restructure its production. We must realize more clearly that agriculture in the suburban counties must serve the city, first the life of the people in the city, and second the light and textile industries and exports. On the basis of ensuring increased grain output, it is necessary to work hard to build up production bases for supplying the city with vegetables, pigs, poultry, egg products, fruit, and aquatic products. We should strive for an all-round bumper harvest this year.
- 6. We must attach importance to developing science, culture, education, physical culture, and public health. We must make no retreat in science, culture and education while carrying out readjustment. In addition we must strengthen leadership and suitably increase the proportion of investment in these fields. We should ensure that science, technology, culture and education can meet the needs of the modernization drive.

Guangzhou Municipal CCP Committee First Secretary Liang Lingguang delivered a summation speech at the conclusion of the meeting.

## Liang Lingguang Speech

HK210257 Guangzhou Guangdong Provincial Service in Mandarin 2345 GMT 19 Feb 81

[Excerpts] At 1981's first enlarged meeting of the Guangzhou Municipal CCP Committee Standing Committee, municipal CCP Committee First Secretary Comrade Liang Lingguang cited four phrases used by the masses to depict the excellent situation in Guangzhou. The comrades attending the meeting enthusiastically agreed. The four phrases are political stability, lively thinking, developing production, and improvement of living standards.

While hailing the current fine situation, the participants also pointed out the existing problems and potential dangers. These are mainly: The economic imbalance of the municipality has not been fundamentally changed; commodity supplies for the markets are still insufficient, and prices are not stable enough; there is a rather serious housing shortage, and so on. It is necessary to take further measures to solve these problems.

After listening to views from all quarters, First Secretary Liang Lingguang put forward four phrases as the guiding ideology for future work in Guangzhou: achieve economic readjustment, political stability, spiritual civilization, and ensure that the special zones make good progress. The participants held: This guiding ideology expresses the intentions of the central authorities and also reflects the actual conditions of Guangzhou Municipality. If we act accordingly, there will be great prospects for the municipality.

# RENMIN RIBAO ON GUANGZHOU CONSUMER GOODS SITUATION

OW201211 Beijing XINHUA in English 1200 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA)--People in the south China city of Guangzhou spent more money on high-quality consumer articles last year as their living standards continued to rise, the nationwide newspaper PEOPLE'S DAILY reports today. Fine fabrics were among the hottest-selling items in Guangzhou, the capital of Guangdong Province. Supplies of woolens and acrylic goods went quickly at local markets. Customers bought some 1,470,000 meters of viscose-polyester, 44 percent more than in 1979.

Garment stores reported that fashionable women's polyester knitwear, leather overcoats and woolen suits were sold out as soon as they were put on sale. Guangzhou leather shoes, known throughout the country for their styling, were also good sellers in the rural areas. Wooden and metal furniture such as wardrobes and beds also registered brisk sales. A set of such furniture for a room may cost 1,000 to 2,000 yuan.

The PEOPLE'S DAILY notes that more and more consumers are setting their eyes on new styles, famous brands and high quality products. For example, sales of cotton clothing dropped 0.5 percent last year while sales of non-cotton clothes rose about 48 percent. The sale of television sets, tape recorders, cameras and set furniture continued to rise steadily. The supply of washing machines have fallen short of demand since a pay-by-installment plan was introduced at the beginning of this year.

The demand for TV sets, tape recorders, electric fans, console radio sets and metal furniture is expected to rise.

# WANG ZHEN VISITS GUANGDONG SCIENCES ACADEMY

HK200928 Guangzhou Guangdong Provincial Service in Mandarin 2345 GMT 19 Feb 81

[Text] In carrying out scientific research, we must also pay attention to careful calculations, strict budgeting and economical results. During his inspection of the Guangdong Provincial Academy of Agricultural Sciences, CCP Central Committee Political Bureau member Wang Zhen encouraged the leaders and scientific and technological personnel of the academy to persevere and keep up the revolutionary spirit of plain living and hard struggle.

Comrade Wang Zhen, accompanied by Guangdong Vice Governor Meng Xiande, inspected the provincial academy of agricultural sciences on 14 February. This was Comrade Wang Zhen's third inspection of the academy.

He told responsible comrades of the party group of the academy: You must pay more attention to heeding the opinions of experts and rely on experts to promote scientific research. After listening to a report on Guangdong's progress in agricultural scientific research, Comrade Wang Zhen said: There have been very rapid developments in biological sciences over the past 10 years and more. We must catch up with these developments.

Comrade Wang Zhen's inspection centered on the rice research center currently under construction. He also went to the Institute of Zootechny to see the experimental chicken coop, pigsty and cowshed and the workshop for manufacturing semen of pigs and cattle. He then went to the institute of fruit growing to see the garden for growing various varieties of oranges and tangerines.

During this inspection, Comrade Wang Zhen took great interest in the selective pigbreeding work carried out by the Institute of Zootechny. This institute's testing ground had been desolate land. Following his last inspection of the academy, Comrade Wang Zhen had ordered departments concerned to assist the institute in mapping out a plan for building the testing ground. As a result, over 10 bulldozers were sent to level land, thus turning desolate mountain slopes into a smooth and wide testing ground. In addition to this, three buildings for mechanized chicken-breeding and a group of experimental pigsties and cowsheds were also erected. Comrade Wang Zhen was very glad to see these changes. He encouraged everyone to continue preserving the revolutionary spirit of plain living and hard struggle.

While traveling in a car, Comrade Wang Zhen frequently said to responsible comrades of the academy: All vacant plots must be covered with crops. Not even one vacant plot should be allowed to exist. With regard to work concerning parks and horticulture, you must also play an exemplary scientific role.

### GUANGKI FIFTH PEOPLE'S CONGRESS HOLDS MEETINGS

## Preparatory Meeting

HK220806 Nanning Guangxi Regional Service in Mandarin 1130 GMT 21 Feb 81

[Summary] The third session of the Fifth Guangxi Autonomous Regional People's Congress held a preparatory meeting in Nanning on 21 February. The meeting elected the 101-member presidium and secretary general of the session. Liang Huaxin is secretary general.

The meeting elected Zhang Shengzhen chairman of the Credentials Committee, Chen An chairman of the Bills Examination Committee, and Li Yindan chairman of the Budget Examination Committee. The meeting also approved the agenda for the session. He Zhi, chairman of the regional Planning Committee, will deliver a report on the execution of the national economic plan in Guangxi in 1980 and give opinions on arrangements for 1981. Ji Long, director of the regional Finance Bureau, will report on revenue and expenditures in 1980 and the draft budget for 1981. Regional People's Government Chairman Qin Yingji will deliver a report on a number of issues in the region's economic readjustment. Liang Huaxin, vice chairman of the regional People's Congress Standing Committee, will report on the work of the committee. Work reports of the regional Higher People's Court and People's Procuratorate will also be presented.

The Presidium held its first meeting after this preparatory session. Huang Rong, Liang Huaxin, Zhong Feng, Guo Zhifu, Li Yindan, Lin Kewu, Shi Zhaotang, Ye Fusun, Zhao Mingjian, Cai Yongwei, Chen An, Ren Guozhang, Lu Rongshu, Gan Huaiyi and Qin Zhenwu were elected executive chairmen of the Presidium.

# Opening Session

HK230147 Nanning Guangxi Regional Service in Mandarin 1130 GMT 22 Feb 81

[Summary] The Third Session of the Fifth Guangxi Autonomous Regional People's Congress opened in Nanning on 22 February. The session is being attended by 1,051 deputies from all parts of the region. Present at the opening were session executive chairmen Huang Rong, Liang Huaxin, Zhong Feng, Guo Zhifu, Li Yindan, Lin Kewu, Shi Zhaotang, Ye Fusun, Zhao Mingjian, Cai Yongwei, Chen An, Ren Guozhang, Lu Rongshu, Gan Huaiyi and Qin Zhenwu; regional People's Government Chairman Qin Yingji and Vice Chairmen Zhou Guangchun, Liao Shengdong, Luo Libin, He Yiran, Liang Chengye, Mo Naiqun, Shi Qingsheng, Jin Baosheng, Guo Cheng and Gan Ku; regional Higher People's Court President Wu Hongming and Chief Procurator Zhang Fuhai.

Huang Rong, chairman of the presidium, delivered the opening speech. He Zhi, chairman of the regional Planning Committee, then delivered a report on the execution of the region's national economic plan for 1980 and views on arrangements for 1981. The report was in three parts: 1) the execution of the 1980 national economic plan; 2) views on the arrangements for the 1981 plans; 3) a number of problems to be solved in order to fulfill the 1981 plans.

In the first part of his report, He Zhi said: Guangxi reaped record grain and sugarcane harvests last year despite adverse natural conditions. Industrial production continued to rise despite a power shortage and under-capacity operation in some sectors. The region reduced the scale of capital construction and took stock of the projects under construction. The region achieved a balanced budget with a slight surplus. Good progress was recorded in all other sectors.

He said: "Generally speaking, the economic situation and the execution of plans in 1980 were good. The main problems are: Some targets were not fulfilled; the scale of capital construction is still too great; consumption expenditures have increased; prices have risen; the economic structure is not rational enough and there is still imbalance; population growth is rather fast."

In the second part of his report, He Zhi said: "The guiding ideology for the region's national economic plans in 1981 is to take readjustment as the center, strengthen centralization and unity, follow the principle of acting according to our capability, vigorously reduce the scale of capital construction and cut all expenditures, tak full advantage of our superior features, avoid our weak points, strive to increase production, and speed up the development of agriculture and the light and textile industries. We must continue to improve education, culture, science, public health, and housing facilities. We must further stabilize the economy, improve the people's life, and consolidate and develop the excellent situation of stability and unity."

In the third part of his report He Zhi proposed a number of problems to be solved in fulfilling the 1981 plans: "1) Uphold the four basic principles and do a good job in ideological and political work. 2) Do well in comprehensive balance in planning and improve the economic results of production and construction. 3) Strengthen management over capital construction in accordance with the demands of centralization and unity. 4) Fully launch and rely on the masses to launch the drive to increase production and practice economy. 5) Improve the circulation links and strengthen market management."

Ji Long, director of the regional Finance Bureau, delivered a report on the budget in 1980 and the draft budget for 1981.

## HUBEI PEOPLE'S CONGRESS PREPARATORY MEETING

HK230202 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Summary] The Third Session of the Fifth Hubei Provincial People's Congress held a preparatory meeting in Wuchang on 22 February. Provincial People's Congress Standing Committee Chairman Chen Pixian presided. The meeting approved the session agenda. During the session, Governor Han Ningfu will deliver a government work report, Vice Governor and Finance Bureau Director Lin Shaonan will deliver a budget report, Provincial People's Congress Standing Committee Vice Chairman Liu Jin will deliver a report on the work of the Standing Committee, and provincial Higher People's Court President Gu Wancai and Chief Procurator Fang Zhaoyi will deliver work reports. Resolutions will be adopted on all these reports.

After the preparatory meeting, the session presidium held its first meeting, which elected 15 executive chairmen: Chen Pixian, Xia Shihou, Zhang Xiulong, Zhang Wangwu, Liu Jin, Tao Shuzeng, Han Dongshan, Lin Musen, Hu Jinkui, Rao Xingli, Wang Haishan, Lu Wenyuan, Tang Zhe, Wu Xianwen, and Jiang Zhonghua. The meeting also dealt with other relevant matters.

### CHEN PIXIAN ATTENDS HUBEI CPPCC OPENING SESSION

HK230236 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Summary] The Fourth Plenary Session of the Fourth Hubei Provincial CPPCC Committee opened in Wuchang on 22 February. Present at the opening ceremony were Chen Pixian, Han Ningfu, Ren Zhonglin, Li Wei, Wang Haishan, Li Fuquan, and Chen Ming, leading comrades of the provincial CCP Committee, People's Congress Standing Committee and People's Government; and provincial CPPCC Vice Chhaimen He Dinghua, Tao Shuzeng, Huang Hongru, Sun Yaohua, Gao Shangyin, Wang Zhizhuo, Zhou Jifang, Xu Jinbiao, Feng Xiuji, Xie Yujin, Xie Wei, and Liang Zhiyan. Provincial CPPCC Vice Chairman Zhang Wencai presided at the ceremony. Vice Chairman Hu Jinkui delivered the opening speech. Vice Chairman Tang Zhe then delivered a work report.

# HUNAN CCP COMMITTEE DEMOCRATIC CONSULTATIVE MEETING

HK210241 Changsha Hunan Provincial Service in Mandarin 2315 GMT 20 Feb 81

[Text] The Hunan Provincial CCP Committee held a democratic consultative meeting in Changsha from 18 to 20 February. The main purpose of the meeting was to convey and study the important instructions of a leading central comrade on work in Hunan. The meeting also conveyed the speeches of Mao Zhiyong and Wan Da delivered at the provincial conference of county CCP Committee secretaries. The participants held fervent discussions in connection with Hunan realities. They all felt: The instructions of the leading comrade of the Central Committee enthusiastically affirmed the achievements in Hunan's work in the previous period and also accurately pointed out the problems in our work and put forward hopes and demands. We are greatly enlightened and educated by these instructions. They all pledged to resolutely support and seriously implement the instructions. During study and discussion, the participants put forward many sincere criticisms and constructive suggestions with regard to the past work of the provincial CCP Committee and the issues of how to implement the spirit of the central work conference and maintain political unanimity with the Central Committee.

# VARIOUS GUIZHOU ORGANIZATIONS HOLD MEETINGS

### People's Government

HK220816 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 21 Feb 81

[Text] The Guizhou Provincial People's Government held its fourth plenary meeting on 21 February. The meeting conveyed relevant central documents and arranged work for the first half of the year, centered on economic readjustment. Comrade Su Gang spoke on relevant issues in work in the first half of the year.

The meeting demanded that government, work departments and enterprises at all levels seriously study the spirit of the central work conference, correct their ideological line, unify their understanding and become more spontaneous to implement the guiding principle of the central authorities. The meeting stressed: Leading comrades at all levels must first study well themselves, sum up experiences and lessons in connection with reality of thinking and work, further correct leftist errors, clear away the influence of leftist ideology, and correctly carry out the line, principles and policies stipulated by the central committee since the third plenary session.

The meeting also proposed: In the first half of this year the province must get a thoroughly good grasp of spring farming. We must ensure fulfillment and surpassing of the industry and communications plans for the first half of the year and get a good grasp of light industry and handicrafts. We must do well in straightening out the enterprises and improve economic results. We must continue to straighten our prices and curb indiscriminate lumbering. We must strictly control the scale of capital construction and do well in handling problems arising from halting or suspending project construction. We must do a good job in closing, halting or amalgamating enterprises or shifting them to other production, and readjust and reorganize the machine-building industry. We must make a success of finance and trade work and support the development of industrial and agricultural production. We must get a good grasp of planned parenthood and promote and develop science, culture and education. We must strengthen investigation and study and improve our work style.

# People's Congress

HK230252 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 22 Feb 81

[Summary] The third session of the Fifth Guizhou Provincial People's Congress held a preparatory meeting on 22 February. Provincial People's Congress Standing Committee Chairman Xu Jiansheng presided. The meeting adopted the session agenda and elected the presidium and the various committees for the session. The presidium held its first meeting in the afternoon. The meeting elected Chi Biqing, Miao Chunting, Xu Jiansheng, Chen Xinggeng, Wu Shi, Wu Su, Dai Xiaodong, Tian Junliang, Zhang Liang, Luo Dengyi, Luo Ying, Ye Gulin, Long Xianzhao, Zeng Xianhui, Bai Lin, Geng Wanqing, Hou Guoxiang and Meng Ziming executive chairmen of the presidium. During the session, Governor Su Gang will deliver a government work report, Vice Governor and Planning Committee Chairman Ran Yannong will deliver a report on the province's economy, Finance Department Director (Wang Zhaofu) will report on the budget, Provincial People's Congress Standing Committee Vice Chairman Wu Su will report on the committee's work, and provincial Higher People's Court President Shi Wenli and Chief Procurator Sheng Beiguang will also deliver work reports. Resolutions will be adopted on all these reports.

# CPPCC Committee

HK220818 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 21 Feb 81

[Summary] The Third Session of the Fourth Guizhou Provincial CPPCC Committee opened in Guiyang on 21 February. Miao Chunting, chairman of the provincial CPPCC, presided and delivered the opening speech.

He said: This meeting will study the spirit of the central work conference and put forward opinions and suggestions on how to implement it in Guizhou. It is also necessary to study the opening speech of Comrade Deng Xiaoping delivered at the Third Session of the Fifth National CPPCC, and the political resolution of that session. Provincial CPPCC Vice Chairman Luo Dengyi delivered a work report on behalf of the provincial CPPCC Standing Committee. Vice Chairman Tang Hongren conveyed the spirit of the Third Session of the Fifth National CPPCC. The session held group discussions in the afternoon.

# GUIZHOU RIBAO COMMENTS ON IMPROVING PUBLIC ORDER

HK220811 Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 21 Feb 81

[Report on 22 February GUIZHOU RIBAO commentator's article: "Public Order Must Be Tackled in a Comprehensive Way"]

[Excerpts] The article says: Promoting public order is an important link in implementing the central principle on achieving further economic readjustment and political stability. It plays a very important role in further consolidating and developing the political situation of stability and unity and ensuring the smooth progress of the modernization drive. The state of public order in Guizhou has improved in varying degrees. However, viewing the province as a whole, the public order situation remains unstable; it is sometimes good and sometimes bad. The number of criminal cases fluctuates. This shows that the task of further promoting public order in society is urgent and heavy. The article stresses: Tackling things in a comprehensive way is the fundamental measure for further improving public order. We must deal resolute blows at murderers, thieves, rapists, arsonists and other criminals who seriously sabotage social order, especially gang leaders and instigators. We must punish them heavily and mercilessly according to law. At the same time we demand that in all factories, mines, enterprises, offices, schools, neighborhoods, and rural communes and brigades, the party and government leaders and the trade unions, CYL and women's federations strengthen political and ideological work and implement the principle of patiently educating, remolding and saving young delinquents. It is necessary to step up anticriminal precautions. With regard to people often involved in petty offenses who do not break major laws, we should carry out education in the legal system, communist morals and revolutionary discipline, and also care for them in work and daily life, arrange study, culture and entertainment for them, and do as much as possible to pull them back from the path of crime.

At present the political and economic situation in the province is very good. In particular, implementing the spirit of the central work conference has created favorable conditions for promoting public order. So long as the whole party takes action and all sectors work hard together, the situation of public order will certainly be able to improve still further.

### YIN FATANG SPEAKS ON POLITICAL WORK IN XIZANG PLA

OW212012 Lhasa Xizang Regional Service in Mandarin 1130 CMT 21 Feb 81

[Text] According to a XIZANG RIBAO report, Comrade Yin Fatang pointed out at the work meeting of the Xizang Military District party committee that an intensive study on how to vigorously strengthen political work among PLA units under the new situation, to persistently uphold the four fundamental principles and unify the ideas and actions in PLA units on the basis of the party's line, principles and policies is of great significance in triumphantly fulfilling the various tasks assigned the army by the party Central Committee and its military commission, in developing a modern, revolutionary army and in protecting the border region and building an unified, prosperous and civilized new Xizang together with the people of all nationalities.

On 14 February, Yin Fatang, first secretary of the Xizang Autonomous Regional CCP Committee and first political commisar of the Xizang Military District, delivered a speech at the work meeting of the party committee of the Xizang Military District, pointing out: The important principle to make further economic readjustment and promote political stability laid down by the central work conference also constitutes a guideline for our army building and our work in other fields. The cadres, fighters and party members in the PLA units in our region must always proceed from this principle and keep such principle in mind when they tackle problems and carry out their work. They must use this principle laid down by the central work conference as a powerful weapon to further strengthen political work.

After reviewing and analyzing the situation in political work in PLA units in the region, Comrade Yin Fatang stressed: Political work is something which involves the whole party. Therefore, the whole party must set to work. The party committees at all levels must concentrate their main efforts and devote most of their time to political work. It is necessary to clearly understand that a party committee or a party branch is considered delinquent if it fails to pay full attention to ideological and political work. Our army is an armed group which carries out revolutionary political tasks. To wholeheartedly serve the people is the only purpose of our army. During the new historical period, our army shoulders the heavy responsibility of safeguarding and developing the four modernizations program. We PLA units in Xizang are stationed on the highlands. Our task of building Xizang and safeguarding the frontier is even more arduous and difficult. This task demands that the masses of commanders and fighters foster a high sense of patriotism, warmly cherish Xizang and wholeheartedly serve the people, particularly the people in Xizang. They must bring into full play the revolutionary spirit of bearing tremendous hardship and the spirit of showing willingness to be stationed in Xizang for a protracted period to help build Xizang, of regarding the autonomous region as their home and of making even greater contributions to building Xizang. We must rely on strong ideological and political work to develop such revolutionary awareness and lofty morals in the PLA units. In whatever work we do, we must place ideology first, correct the erroneous practice of ignoring ideological work and attach great importance to ideological and political work. Political commissars, organs in charge of political work and secretaries of party committees and branches must take the lead in firmly grasping ideological and political work and achieving effective results.

Comrade Yin Fatang pointed out: To carry out ideological and political work well at present, it is necessary to do the following:

- 1. Conscientiously implement the line, principles and policies laid down by the party Central Committee.
- 2. Further unify our ideas on handling major problems left over from the past.
- 3. Firmly strengthen one's confidence in upholding the four fundamental principles.
- 4. Conscientiously study and deal with the new situation and new problems which crop up in the course of modernizing and revolutionizing the army.
- 5. Foster communist ideals and lofty morals in PLA units.

Comrade Yin Fatang said: Doing ideological and political work, we must demonstrate a high sense of principle and militancy, improve our measures in popularizing political education and try our best to attain effective results. We must carry out ideological and political work flexibly in close connection with the specific features under the new situation. We must be good in enlightening people and convincing them by persuasion, reasoning and presenting facts. We must pay attention to setting up typical examples, to summing up our experiences and explorations and to developing, in the course of practice, new methods in carrying out ideological and political work under the new situation. We must be good at carrying out our work meticulously and painstakingly and solving actual problems conscientiously.

Comrade Yin Fatang called on the commanders and fighters in PLA units stationed in the region to raise their vigilance and strengthen preparedness against war, to unify their ideas and actions on the basis of the party's line, principles and policies, to act in accordance with the directives of the party Central Committee, and set good examples in implementing the party's line, principles and policies and in promoting stability and unity. He urged them to make fresh contributions to fulfilling the various tasks assigned them by the party Central Committee and its Military Commission and by the Chengdu Military District; to work with one heart and one mind from the top to the grassroots level to persistently wage arduous struggles and to score fresh achievements in the new year.

# XIZANG RIBAO STRESSES EDUCATION OF YOUTHS

OW201625 Lhasa Xizang Regional Service in Mandarin 0015 GMT 20 Feb 81

[Report on XIZANG RIBAO 19 February commentator's article: "It Is Necessary To Stress the Education of Youths"]

[Text] The article says: At present, party organizations at various levels in our region are conscientiously implementing the guidelines of the party Central Committee's work conference and of the regional party representatives meeting [dang dai hui yi 8093 0108 2585 6231] and rectifying the work style of party organs and cadres. In studying and rectification, it is very important to pay attention to the education of youths, to strengthen ideological and political work among them, to lead them to establish a socialist new style and foster a socialist spiritual civilization, to enhance their socialist consciousness and to help them foster lofty revolutionary ideals and resist the corrosive influence of anarchism, extreme individualism and decadent bourgeois ideology. Doing this job well will play a big role in making youths display their role as a shock force, in continuing and developing our region's stability and unity, and in ensuring the smooth progress of our region's economic readjustment.

The article continues: Among some party and CYL members in our region some questions have emerged that merit our attention. We must integrate the implementation of the guidelines of the party Central Committee's work conference with the dissemination and implementation of those of the regional party representatives meeting. We must strengthen ideological and political work tailored to the characteristics of youths, enabling them to realize that they themselves are the successors of the revolutionary cause, to understand the heavy historical responsibility they are charged with and to foster a strong dedication to the revolution. We must mobilize their enthusiasm in readjusting the national economy and bring into full play their role as a new force. It is necessary to conduct education on materialism among youths. It is also necessary to teach them to study professional knowledge and techniques so as to turn them into individuals with professional knowledge, work skills and techniques, morals and lofty aspirations.

Party and CYL organizations, together with the propaganda departments at various levels, must also urge youths to study conscientiously the documents of the party Central Committee's work conference and the guidelines of the regional party representatives meeting. The party Central Committee is convinced that the major task of implementing further economic readjustment and realizing further political stability represents the wish of the people of various nationalities in the country. The broad masses of youths of various nationalities in our region must make due contributions toward carrying out this task.

In conclusion, the article says: To do youth work well, not only party and CYL organizations must pay attention to the work, but propaganda organizations at various levels, all party organs, schools, plants, mines, institutions and parents must also stress it. To do a good job in educating youths, the leadership at various levels must show concern for their ideology, work and livelihood, take good care of them, and have frequent and extensive contacts with them. It must talk with all types of youths, listen to their various responses and opinions, and promptly monitor their ideological pulse. It must patiently strive to insire them and help them straighten out any wrong or muddled thinking on their part, and must study and discuss with them the party's line, principles and policies, the question of the country's and their future and their study and work so as to make youths really feel that the party and its leadership are truly concerned with their healthy growth and immediate interests.

# XIZANG INCREASES INVESTMENT IN HIGHWAY TRANSPORT

OW230503 Lhasa Xizang Regional Service in Mandarin 1130 GMT 19 Feb 81

[Text] According to XIZANG RIBAO, based on actual conditions in Xizang, the autonomous regional CCP Committee and the People's Government have attached importance to highway transport by increasing investments. At present, besides relying on limited civil air transport facilities, over 90 percent of the transport in our region must depend on highways. Objectively, this has determined the importance of highway transport in Xizang's economy.

However, over the years, because the departments concerned failed to study the economic characteristics of our region thoroughly and to invest realistically to enhance transport capability, the ratio of transport investment has been reduced annually. The transport of special nationalities products and commodities vital to the livelihood of the people was not guaranteed because much emphasis was placed on serving politics by giving priority to transporting support-agriculture supplies, agricultural machinery, equipment for industrial construction and raw materials on a crash basis. Furthermore, owing to insufficient investments in highway construction and lack of proper planning, repairs to several bridges and the reconditioning of road surfaces on major highways were not scheduled as needed.

In furthering the national economic readjustment, the autonomous regional CCP Committee and the People's Government have rectified the abovementioned mistakes and taken measures to strengthen the weak links in communication and transport. The volume of cargo transport for Xizang this year is expected to increase by 10 percent over last year. To accelerate highway construction on the Qinghai-Xizang highway and improve its capacity for handling through-truck convoys, the Ministry of Communications has allocated nearly half of the funds earmarked for 1981 highway construction to improving the Qinghai-Xizang highway. The regional Finance Department has also appropriated special funds for purchasing equipment for major transport centers on the Qinghai-Xizang highway. According to plan, the Finance Department has also made arrangements for widening the (Lashan) highway and for reconditioning the (Zhongyi) highway, which required immediate attention.

The autonomous regional CCP Committee and the People's Government have realized that in speeding up the building of new Xizang, the transport network, especially the various truck convoys, remains a very important transport force. Consequently, they emphasized that in streamlining and readjusting organizational structures involving existing departments and personnel handling communications and transport, it is important to see that no change should be made without proper authorization.

# XIZANG RIBAO Commentary

OW230549 Lhasa Xizang Regional Service in Mandarin 1130 GMT 19 Feb 81

[XINZANG RIBAO 18 February short commentary: "Make Conscientious Efforts To Run Our Region's Communication and Transport Enterprises Well"]

[Text] Communications and transport occupy a vital position in our region's economy. Since Xizang is very weak industrially, its commodity economy is underdeveloped and its market must rely on commodities from elsewhere. According to statistics made available by departments concerned, the ratio of investment on communications and transport in Xizang has been on the decline annually over the past several years. As communications and transport are the relatively weak link in Xizang's economy, this has adversely affected economic construction inside Xizang and the people's livelihood also. By summing up experiences in the spirit of seeking truth from facts, the autonomous regional CCP Committee and People's Government have adopted a policy to protect communications and transport enterprises. However, by increasing investment on transport construction and streamlining the transport network in a prudent manner does not mean that communications enterprises need not be readjusted.

Numerous problems still exist in our communications enterprises, such as: Workers and staff members are quite confused ideologically, the organizational structure is unbalanced, investments are scattered, management falls behind, vehicle maintenance rate is poor and highly wasteful and so forth. In view of this, an overall readjustment should be effected in the light of the ideological line, policies and principles, organizational structure, work coordination, specific job assignments and work arrangements. It is imperative to put all this into effect in keeping with the principle of seeking truth from facts and of doing what we can do and based on the spirit of sharing cares and burdens with the state and bringing benefits to the people. By so doing, we will be able to run the communications and transport enterprises well in our region through conscientious efforts.

### BRIEFS

SICHUAN METALLURGICAL INDUSTRY--Sichuan Province's metallurgical industry has reduced the scale of the capital construction front, saved energy and earned more profits. The province's key metallurgical industries have made profits amounting to 370 million yuan, fulfilling 144.5 percent of the year's profits quotas. Metallurgical production has increased rapidly because: 1) Production has been restructured and production of products in short supply has been increased. 2) The capital construction front has been reduced, thus saving capital for other investments. 3) Regulation by market supply and demand has been implemented. [Chengdu Sichuan Provincial Service in Mandarin 1100 GMT 22 Jan 81 HK]

SICHUAN MILITARY DISTRICT CIRCULAR--Sichuan Military District's leadership group on planned parenthood recently issued a circular demanding that the PLA units do a good job of planned parenthood during the spring festival. The circular demanded that departments concerned: 1) Popularize planned parenthood in accordance with the State Council's open letter. 2) Popularize advanced contraceptive methods. 3) Strengthen technological guidance. [Chengdu Sichuan Provincial Service in Mandarin 1100 GMT 23 Jan 81 HK]

SICHUAN STATE FARMS' PROFITS--Chengdu, 13 Feb (XINHUA) -- The state farms under the Sichuan Provincial State Farm and Land Reclamation Departments more than doubled their profits last year with a total gain of over 5 million yuan after promoting joint agricultural, industrial and commercial ventures. The year saw the establishment of such joint ventures in 20 counties involving nearly half of the state farms in the province. The rest of the state farms also started to process and market part of their products. Since 1980, 38 percent of the state farms in Sichuan have set up their own enterprises which process farm produce, sideline products and foods. [Beijing XINHUA Domestic Service in Chinese 0107 GMT 13 Feb 81 OW]

# BELJING CCP COMMITTEE HOLDS WORK CONFERENCE

OW202143 Beijing XINHUA Domestic Service in Chinese 1421 GMT 20 Feb 81

[Text] Beijing, 20 Feb--The Beijing Municipal CCP Committee held a work meeting 12-20 February. It stressed the need to eradicate the "leftist" influence, resolutely implement the four-point instruction issued by the Secretariat of the CCP Central Committee on the principle in work for Beijing, make readjustment according to the characteristics of the capital, and consolidate and develop the political situation of stability and unity so as to bring about change in the outlook of the capital as soon as possible.

The comrades attending the meeting studied the documents of the central work conference in close connection with the actual situation, and summed up and reviewed the work of the Beijing Municipal CCP Committee since the convocation of the 3d Plenary Session of the 11th CCP Central Committee.

The meeting emphatically pointed out: The four-point instruction issued by the Secretariat of the CCP Central Committee was put forward on the basis of the capital's specific features after summing up the historical experience. It represents a specific implementation, in Beijing, of the political line laid down by the party's third plenary session. To do a still better job in implementing the guidelines laid down by the central work conference, it is necessary to make readjustments in accordance with the four-point instruction of the secretariat of the CCP Central Committee. For this, we must not vacillate nor do things in violation of the instruction. From now on, we must regard our efforts to carry out political and ideological work well, create a fine environment and beautify the capital, and develop scientific educational and cultural facilities as well as economic construction suited to the city's specific features, as the criterion of our work in Beijing.

The meeting demanded that the party organizations at all levels and the broad masses of party members and cadres in the whole city bring about a fundamental change in their guiding ideology, and step by step channel the construction of the capital onto the track pointed out by the four-point instruction of the Secretariat of the CCP Central Committee. This instruction of the Secretariat has an inseparable and interconnected integrity. Both our efforts in carrying out political and ideological work and our endeavors in creating a fine environment and beautifying the capital and in developing scientific, cultural and educational facilities as well as economic construction are invariably connected closely with all trades and professions. We cannot say that a certain project should belong to a certain department. Thus, the people in the whole city must mobilize, closely coordinate with one another and strive to change the outlook of the capital. From now on, we must regard our task of carrying out political and ideological work, creating a fine environment, beautifying the capital and developing scientific, cultural and educational facilities in the capital as important items in our daily agenda. We must also support all projects for this purpose withour financial and material resources as much as possible. It is essential to promote a highly developed socialist spiritual civilization while raising a highly developed socialist material civilization. This is our primary task in implementing the four-point instruction. Efforts must be made to strengthen public order in the capital and to ensure that the people will have a fine environment for their work and livelihood. It is necessary to mobilize the masses to beautify the city by vigorously planting trees, flowers and grass, and gradually turn Beijing into a first-rate city with a fine environment and the highest standards of cleanliness and good sanitation. We must strive to restore and develop scientific, cultural, educational, sports and public health facilities; fully utilize the favorable factor that there are many universities, colleges, scientific and research units, specialists and high-level technical personnel, so as to help them play a gigantic role in the construction of the capital; and we must invite them to become advisers and teachers for various construction projects.

The meeting pointed out: In order to ensure the smooth development of the economic readjustment, it is necessary to follow a correct guideline in economic construction and eliminate the pernicious influence of the "leftist" thinking. In the past, fettered by the "leftist" thinking, we did not perform economic construction on the basis of the specific features of the capital. There existed problems such as inadequately developed heavy industry, expanded capital construction without consideration of our own capabilities, and unrealistically high targets. Without eliminating the "leftist" thinking, it is impossible to make an overall and fundamental readjustment in the city's economic work. Therefore, the key to doing a good job in readjusting the economy lies in the elimination of the "leftist" influence.

The meeting reaffirmed: Efforts must be made to strictly control the scale of capital construction, achieve even better results from investments, and further readjust the ratio between production and nonproduction sectors. For the next several years, we must give top priority to housing and public utilities as well as installations needed in people's daily life. At the same time, attention must also be paid to constructing badly needed university classrooms and buildings for key research projects, accommodations related to foreign affairs, and engineering projects with favorable conditions for promoting tourism. Heavy industry will not longer be developed in Beijing, and future emphasis in existing heavy industrial plants will be on production quality and variety, pollution control, full use of resources and extensive processing of semifinished products, while providing even more raw material for the development of light and textile industries. Emphasis must be placed on the development of food and printing industries, labor-intensive handicraft industries and the manufacture of precision and high-technology products suited to the specific features of the capital. In agriculture, we must continue implementing the policy of serving the cities and build the suburban area into a base to ensure a steady supply of nonstaple foods. More people should be hired and more installations added in the commercial and service trades, and efforts must be made to help service workers improve their attitude and upgrade service quality.

The meeting held: The fundamental guarantee to the implementation of the guidelines laid down by the central work conference and the four-point instruction of the Secretariat of the CCP Central Committee lies in the strengthening of the party leadership and doing a good job in carrying out well ideological and political work. It is necessary to strengthen the building of the party committees at all levels, continue emancipating one's own thinking, and further follow a correct ideological line. Efforts must be made to actively cultivate, select and promote middle-aged and young cadres, and to readjust and reinforce the leading bodies. It is essential to improve work style and the art of leadership. The leading cadres at all levels must spend one-third of their time leaving their offices and vigorously investigating and studying by maintaining close touch with reality and the masses. It is necessary to do a good job in achieving unity among the cadres, set store by the revolutionary cause, keep in mind the situation as a whole, and unite to do our work well.

Duan Junyi, first secretary of the Beijing Municipal CCP Committee, delivered a speech at the meeting. He called for a citywide discussion on how to "serve the people and heighten their sense of responsibility to the people," so as to improve party style, leadership and work efficiency through such discussion and to further strengthen the thinking of serving the people and enhance their sense of responsibility to the people. Also speaking at the meeting were Third Secretary Jia Tingshan and Standing Committee member Liu Daosheng of the Beijing Municipal CCP Committee. More than 470 party members and cadres in all fields of work in Beijing attended the meeting.

Duan Junyi Speech

OW201619 Beijing XINHUA in English 1602 GMT 20 Feb 81

[Text] Beijing, 20 Feb (XINHUA) -- No more expansion of heavy industry, but more food and light industries and more labor-intensive handicraft industries. These are among the main points of a program outlined at a work conference of the Beijing Municipal Committee of the Chinese Communist Party which ended here today.

The program, a confirmation of a call by the Secretariat of the party Central Committee last May to make the capital a clean, attractive cultural and political centre, also calls for more public housing.

This was the first large municipal party conference since Duan Junyi and Jiao Ruoyu were appointed first and second municipal party secretaries more than a month ago.

After summing up past experience, the nine-day conference called for the elimination of "leftist influence" on the city development and full mobilization of all citizens to make Beijing a clean, beautiful city and a model of social security, social order and moral standards. The conference called for a Beijing with the highest cultural and educational levels in China, as outlined by the Secretariat last May.

The conference agreed that there had been much progress in the city since the third plenary session of the 11th Central Committee of the party in 1978. However, there had been excessive development of heavy industry and over-extension of the scope of capital construction. Duan Junyi called for unity among the Beijing cadres and urged them to lead a city-wide discussion on how to "serve the people and heighten their sense of responsibility to the people" so as to improve their leadership, style of work and efficiency.

The main points of the program outlined at the conference are:

- -- There will be no more expansion of heavy industry and the future emphasis in existing heavy industrial plants will be on quality and variety of products, pollution control and full use of resources while producing more materials for light industry. Stress will be laid on encouraging the food and printing industries, labor-intensive handicraft industries, and the manufacture of precision and high-technology products.
- -- Concentrated efforts will be made to turn the suburbs into food-producing bases to ensure a steady supply of vegetables, meat, milk and other non-staple foods.
- -- More people will be employed in the commercial and service trades and efforts will be made to expand service trades and improve quality.
- -- Capital construction projects will be trimmed and top priority will be given to housing and public utilities. Attention will also be paid to constructing university classrooms and buildings for key research projects, accommodation for the diplomatic community and foreign professional and trade representatives, and tourist hotels and facilities.
- -- More efforts will be made to beautify the capital by planting trees, flowers and grass.
- -- Public order will be enhanced to provide a more secure and convenient environment for the citizens.
- -- The city authorities will do everything possible to develop scientific, cultural, sports and public health facilities and will invite a fuller input from higher learning and scientific establishments in the construction of the capital.

More than 400 party leaders in all fields of work attended the conference.

# DUAN JUNYI PRESENTS MARTYRS' CERTIFICATES

OW211230 Beijing XINHUA in English 1220 GMT 21 Feb 81

[Text] Beijing, 21 Feb (XINHUA)—The young worker and the 67-year-old pensioner who died in Beijing early this month while saving a child from drowning were declared martyrs by the municipal People's Government at a mass rally in the capital today. Jiao Ruoyu, acting mayor and second secretary of the municipal party committee, called on all people in Beijing to emulate the two heroes' spirit of selflessness.

Today's mass rally, attended by 5,000 people, is part of the city authorities' efforts to encourage socialist moral standards. The city leaders are seeking to make the capital a model of social security, good order and moral standards.

The young worker, Gao Yuntao, and the pensioner, Tian Jiyue, died on February 1 while saving an eight-year-old girl who had slipped into a river in the southern suburbs. Gao drowned and Tian died later in hospital.

At today's rally, Duan Junyi, first secretary of the municipal party committee, and other city, party and government leaders handed over the martyrs' certificate to the relatives of the dead men and conferred citations on 22 other people and five factories and army units for their part in the rescue. The acting mayor said moral standards in Beijing had traditionally been high but had been badly eroded because of sabotage by the Lin Biao and Jiang Qing counter-revolutionary cliques. He called on all citizens to participate in a city-wide discussion on "how to serve the people and heighten the sense of responsibility to the people."

Duan Junyi and Jiao Ruoyu called on the families of the dead heroes during the spring festival to offer their condolences.

# SHANKI MEETING ON IDEOLOGICAL WORK IN COLLEGES

HK210614 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 20 Feb 81

[Excerpts] The Shanxi Provincial Higher Education Department held a conference on ideological and political work in institutes of higher education from 14 to 17 February. The conference discussed how to improve this work. The participants studied and discussed the spirit of the relevant central instructions, exchanged information and experiences and consulted each other on how to further improve and strengthen this important work. Wang Wenzhang, member of the provincial CCP Committee Standing Committee, and Vice Governor Wang Zhongqing spoke at the conference.

The conference held: The current important task of party committees in institutes of higher education is to spend their main time and energy on conducting ideological and political work, while also implementing the party's line, principles and politics and making decisions on cadre employment. This is aimed at ensuring further economic readjustment and political stability and the implementation of the party principles on education. The party committees must seriously study, publicize and implement the spirit of the central work conference, justly and forcefully publicize and implement the four basic principles, and launch education in socialist spiritual civilization with great fanfare. It is necessary to eliminate factors affecting stability and unity in certain schools.

The conference stressed: It is necessary to launch the whole body of teachers, students and staff to carry out ideological and political work. We must rely on the party and CYL organizations among the students and on the teachers, especially teachers in politics and class directors, to carry out this work. At the same time we must build up a political work force with combat ability.

# SHANKI ISSUES RULES ON USE OF POLICE EQUIPMENT

HK220431 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 21 Feb 81

[Text] With the approval of the State Council, the Ministry of Public Security has issued regulations on the use of weapons and equipment. In order to preserve social order in Shanxi and protect lives and property of the state and people, People's Police in Shanxi have started to use police implements since the beginning of February. These implements include truncheons, whistles, flashlights, warning systems, ropes and hand-cuffs.

In the past there were no specific regulations on the use of weapons and other police implements. A very small number of criminal elements held that this presented an opportunity for them. Some of them resisted the police in the execution of their lawful duties, and some even openly put up violent resistance. There have been many incidents in which the masses and public security cadres and policemen were injured. The use of police implements by the People's Police is aimed at curbing criminal activities and protecting the masses' safety. It is also the requirement of the police in putting up legitimate defense.

People's Police will use truncheons and other implements in order to deal with criminals who violently resist them in the execution of their duties. When a People's Policeman apprehends someone engaged in criminal activities, he will not use the truncheon so long as the criminal heeds warnings and comes along quietly. If a criminal element resists by force, the People's Police have the right to use implements according to the regulations to subdue him.

# TIANJIN CCP HOLDS PROPAGANDA WORK CONFERENCE

SK221043 Tianjin City Service in Mandarin 0030 GMT 22 Feb 81

[Excerpts] The Tianjin Municipal CCP Committee held a propaganda work conference from 12 to 21 February to study and implement the guidelines of the work conference of the CCP Central Committee, assess municipal propaganda work since the 3d Plenary Session of the 11th CCP Central Committee and sum up experiences and lessons gained. The conference also suggested ways to strengthen and improve propaganda work so as to ensure smooth progress of the work to readjust the national economy.

Huang Zhigang, second secretary of the Tianjin Municipal CCP Committee, attended the conference and delivered an important speech. Liu Gang, secretary of the municipal CCP Committee, made a summing-up speech and (Huang Chen), director of the Propaganda Department under the municipal CCP Committee, delivered a report reviewing municipal propaganda work since the 3d Plenary Session of the 11th CCP Central Committee and citing future tasks in propaganda work.

In his speech Comrade Liu Gang stated: Under the current situation, to strengthen political and ideological work and to improve propaganda work constitute tasks of utmost importance for the party and people in ensuring the smooth progress of continuous readjustment and consolidation of the political situation of stability and unity. Comrade Liu Gang called for attention to be paid to handling well the following relationships in propaganda work: 1) the relationship between upholding the four basic principles and the thorough emancipation of minds; 2) the relationship between propaganda work on the communist ideological system and current socialist policies; 3) the relationship between the correct conduct of criticism and self-criticism and upholding the double hundred principle; and 4) the relationship between literature and art and politics.

In his speech Comrade Huang Zhigang stressed the importance of propaganda work and called on party committees at all levels to strengthen their leadership over this work and to do a good job in ideological and organizational molding of the propaganda contingent. He particularly stressed strengthening leadership over organizational work.

# HEILONGJIANG FIRST SECRETARY AT CYL WORK CONFERENCE

SK230212 Harbin Heilongtiang Provincial Service in Mandarin 1100 GMT 22 Feb 81

[Excerpts] The Heilongjiang Provincial CYL Committee work conference concluded on the afternoon of 22 February after a 5-day session. The conference studied ways to promote the CYL's political and ideological work to a new level to meet the requirements of the development of situation.

During the session, leading comrades of the provincial party committee, including Yang Yichen, Li Lian, Chen Lei, Li Jianbai, Zhao Dezhun, Chen Jianfei, Chen Yuanzhi, Hou Jie and Xie Yunging, had informal discussions with the conference participants.

During the discussions Yang Yichen and other leading comrades of the provincial party committee said: Youths are the hope of the motherland. Doing successful work on youths concerns the future of our country. We are now confronted with a struggle to win over the youths. Youths and CYL committees should stand in the forefront in leading the youths to check erosion and eliminate the pernicious influence. We hope that youths will cherish lofty ambitions and concern themselves with important affairs of the state and the people. Every man has a share of responsibility for the fate of his country; every youth should be aware of their solemn, unshirkable duty of guiding this long-suffering country on the road of resurgence.

# HEILONGJIANG RELEASES SURVEY ON WORKERS' LIVELIHOOD

SK220512 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 21 Feb 81

[Text] According to HEILONGJIANG RIBAO, a survey provided by departments concerned indicates that since the 3d Plenary Session of the 11th CCP Central Committee, the living standards of the majority of the staff members and workers in our province have steadily improved.

First, their income has increased. Present per capita monthly income for living expenses of families of the staff and workers in urban areas throughout the province is 29.63 yuan, 28.8 percent more than in 1977 and 60.7 percent more than in 1965. According to the recent survey conducted by the departments concerned on the livelihood of staff and workers in Harbin, Qioihar, Daqing, Hegang, Yichun, Jiamusi and Muda jiang Municipalities, the increased income can be attributed mainly to higher employment and increases in average monthly wages. The average monthly wage of a worker is 66.85 yuan, 6.67 yuan higher than in 1977. Other contributing factors are increased bonuses and the 5-yuan monthly subsidy for the 8 major nonstaple foods whose prices have been readjusted,

Second, consumption of major commodities has increased. In 1980 the consumption of pork, other nonstaple foods and manufactured goods for the daily use of urban residents throughout the province increased. On average, each worker's family in the 7 municipalities had 2.1 bicycles and 2 wristwatches. Every 100 families had 55 sewing machines, 70 radios and 11.5 televisions.

Third, savings deposits have increased. By the end of 1980, savings deposits in urban areas throughout the province totaled 1.31 billion yuan-an increase of 477 million yuan over the 1979 figure--and per capita savings was 136.68 yuan--49.78 yuan more than the 1979 figure.

Fourth, construction of residential housing has accelerated. The 1980 investments in housing construction of all departments at all levels totaled 423 million yuan, a record since the founding of the PRC. In the past 4 years, 190,000 workers' families moved to new houses.

Fifth, collective welfare facilities are being restored and expanded. Workers' canteens, public baths, nurseries and kindergartens, clubs, cultural centers, libraries and sanatoriums have increased each year.

NORTHEAST REGION

Sixth, the number of low-income workers has declined. Most workers' families have had their income markedly increased. According to the survey, last year in families whose per capita living expenses were lower than 20 yuan, the per capita income was 18.26 yuan. In those whose per capita living expenses were more than 50 yuan, the per capita income was 55.1 yuan. The difference was 66.8 percent, 4.9 percent lower than in 1977.

This survey, jointly provided by the provincial statistics bureau, trade union council, people's bank, labor bureau, price bureau and commercial bureau, also urges efforts to solve such problems as unstable prices, housing shortages and job arrangements for youths.

## LIAONING CONCLUDES PEOPLE'S CONGRESS SESSION 20 FEB

SK210534 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 20 Feb 81

[Excerpts] According to our reporters, after successfully fulfilling all scheduled tasks, the Third Session of the Fifth Liaoning Provincial People's Congress triumphantly concluded on the afternoon of 20 February following a session of 7 days. During the session, deputies discussed a provincial government work report and provincial government reports on the national economic plan and on 1981 financial budgets. They also discussed work reports of the Standing Committee of the provincial People's Congress, the provincial Higher People's Court and the provincial People's Procuratorate and adopted all relevant resolutions. A by-election for deputies to the National People's Congress and a president of the Tieling Prefectural Intermediate People's Court was conducted at the session.

Sitting at the rostrum were permanent chairmen and members of the session's presidium and responsible comrades of the Standing Committee of the provincial CCP Committee and the provincial People's Government who attended the session as nonvoting delegates. Also attending the closing ceremony as observers were members attending the third plenary session of the fourth Liaoning Provincial CPPCC Committee.

The congress session unanimously adopted the resolutions on the provincial government work report, the province's fulfillment of its 1980 economic plans and arrangements for the 1981 plans and the fulfillment of the province's 1979 accounts, the 1980 budgets and the 1981 budgetary estimate. It also adopted resolutions on the work reports of the Standing Committee of the provincial People's Congress, the provincial Higher People's Court and the provincial People's Procuratorate and a motion examination report by the Motion Examination Committee.

Comrade Guo Feng, first secretary of the provincial CCP Committee, addressed the closing ceremony. He first congratulated the congress session for its successful convocation and conclusion on behalf of the provincial CCP Committee. In light of the actual provincial situation, he dwelt on the economic and political situations and economic readjustment. He said: The central task of this session is to mobilize the people of all nationalities throughout the province to implement the central authorities' principle on further readjusting the national economy and stabilizing the political situation, work in unison to overcome difficulties and eliminate all existing economic crises, develop the excellent situation and strive to fulfill the 1981 national economic readjustment plan and all other tasks. This readjustment is a continuation and development of various principles and policies set forth since the third plenum of the CCP Central Committee and a further implementation of the guiding ideology of the third plenum of the CCP Central Committee on seeking truth from facts and correcting left-leaning mistakes. Implementing this readjustment principle is a fundamental part of our economic construction. It will enable our economic construction to embark on a road of sound development. The basic demand of this readjustment is to curtail the capital construction front, increase production, reduce expenditures, balance finances and the economy, stabilize commodity prices and enliven markets.

While touching on ways to fulfill the province's economic readjustment tasks, Comrade Guo Feng said: It is necessary to grasp production, continue to launch activities on increasing production and economizing on expenditures, consolidate and develop the political situation of stability and unity and bring into play the role of the people's congresses and standing committees and the role of the people's governments and the people's CPPCC committees in conducting democratic consultations and in giving advice. Comrade Guo Feng stressed: The party is the leading core of the country. Strengthening party leadership is a fundamental guarantee for readjusting the national economy, doing a good job in production and promoting the accomplishment of the four modernizations. The key in adhering to the four basic principles is to uphold party leadership. Without the party's leadership, there would not be a new China and socialist modernization. The party's leadership means a leadership of the line, principles and policies and of our regular political and ideological work. Communist party members must bring into play their role as vanguards and examples for the people. How a Communist Party member behaves has great influence on the economic readjustment, production and stability and unity. Communist Party members must have a high degree of consciousness, a high sense of discipline and a self-sacrificing spirit. They must maintain political unanimity with the party Central Committee. They must serve as examples in implementing the principles for readjustment, carrying out all policies, observing law and discipline, honestly performing official duties and working diligently and unitedly.

While concluding his speech, Comrade Guo Feng said: Readjusting the economy, realizing stability and unity and fulfilling the four modernizations are the common desire of people throughout the province and an arduous task entrusted to us by history. I hope that all of you will faithfully shoulder your tasks, bring your role into play as the people's deputies, mobilize and lead the people of the whole province to do a good job in preparing for the current spring farming and try by all possible means to implement principles for readjustment, grasp industrial and agricultural production, do all well to ensure a fulfillment and overfulfillment of the 1981 national economic plan and all tasks and strive to build our country into a modern and strong socialist country with a high degree of democracy and civilization.

Comrade Huang Oudong gave a closing address.

# LIAONING'S GUO FENG GETS MILITARY DISTRICT REPORT

SK211145 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 20 Feb

[Summary] "Guo Feng, first secretary of the Liaoning Provincial CCP Committee, Chen Puru, Li Huang, Hu Yimin, and Xu Shaofu, secretaries of the provincial CCP Committee, and Zhu Chuan, Standing Committee member of the provincial CCP Committee, visited the provincial military district on 17 February to hear reports by its leading comrades, including Commander Yang Dayi and Political Commissar (Ma Ying), on the district's military and political work and on the guidelines of the militia work conference held by Shenyang PLA units."

All leading comrades of the provincial CCP Committee said that doing a good job in militia building and strengthenig the modernization of national defense are important components of the four modernizations drive and that, in the future course of implementing the principle on readjusting the national economy, the provincial CCP Committee will include militia building work on its agenda. They also urged departments of the provincial military district to maintain ties with the various provincial organs and to seek opinions from them.

# END OF FICHE DATE FILMED 24 Feb. 1981

